

This document prepared by;
After recording return to:

Washington Federal Bank,
National Association
425 Pike Street, 5th Floor
Seattle, WA 98101
Attn: Commercial Loan Servicing

REEL 4457 PAGE 140
MARION COUNTY
BILL BURGESS, COUNTY CLERK
03-02-2021 03:50 pm.
Control Number 642986 \$ 131.00
Instrument 2021 00013317

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (the "**Agreement**"), is made and entered into as of February 19, 2021, by and among the **URBAN RENEWAL AGENCY OF THE CITY OF SALEM, OREGON**, an Oregon quasi-municipal corporation, located at 350 Commercial Street NE, Salem, OR 97301 ("**Agency**"), the **CITY OF SALEM, OREGON**, a political subdivision of the State of Oregon, located at 555 Liberty Street SE, Salem, OR 97301 ("**City**"), **MWIC JORY SALEM, LLC**, an Oregon limited liability company, located at 201 Ferry St. SE, Ste. 400, Salem, Oregon 97301 ("**Borrower**"), and **WASHINGTON FEDERAL BANK, NATIONAL ASSOCIATION**, a national banking association, located at 425 Pike Street, 5th Floor, Seattle, Washington 98101 ("**Lender**").

WITNESSETH:

A. The Agency is an urban renewal agency, activated by the Salem City Council pursuant to ORS 457.035. The City is an Oregon municipal corporation, and encourages affordable housing by granting system development charge exemptions for storm water, sidewalks, parks, and transportation ("**SDC Program**"). The Agency encourages affordable housing by providing a property tax rebate in the form annual grants in connection with approved affordable housing projects ("**Tax Rebate Program**").

B. Borrower applied for and was granted exemptions of the system development charges and a grant in the form of a property tax rebate for the Property (as defined in Paragraph C, below).

C. To restrict the use of the Property in order to assure that the goals of the SDC Program are fully implemented: (i) the City and Borrower entered into that certain Declaration of Deed Restrictions and Agreement of Declarant Concerning Affordability for the benefit of the City, which was recorded on March 2, 2021, under Recording No. Rec 14457 P126 in Marion County, Oregon (the "**Deed Restrictions**") imposing certain covenants, restrictions, agreements, and obligations on certain real property located at 909-961 Park Avenue NE, Salem, Oregon 97301, legally described in Exhibit A, attached hereto and incorporated herein by this reference (the "**Property**").

D. To restrict the use of the Property in order to assure that the goals of the Property Tax Rebate Program are fully implemented: (i) the Agency and Borrower entered into an Affordable Housing Agreement dated as of January 29, 2021, a memorandum of which was recorded on March 2, 2021, under Recording No. Rec 14457 P127 in Marion County, Oregon (the "**Affordable Housing Agreement**"), imposing certain covenants, restrictions, agreements, and obligations on the Property.

E. Collectively, the Affordable Housing Agreement and the Deed Restrictions are known herein as the "**Regulatory Agreements**."

F. Borrower has applied to Lender for a construction loan. Lender is unwilling to make the loan unless it has first and prior lien on the Property as security for the loan in the amount of \$30,800,000.00 to be evidenced by a Line of Credit Deed of Trust, Assignment of Rents, Security Agreement and Fixture

TICOR TITLE 471826094978

Filing dated as of even date herewith, which is being recorded concurrently herewith in the Marion County Recorder's Office (together with any renewals, amendments, extensions, and supplements thereto, the "Trust Deed").

G. To induce Lender to make the loan, the Agency and the City have agreed and consented to subordinate the Regulatory Agreements to the Trust Deed about to be taken by the Lender.

NOW, THEREFORE: in consideration of the premises and the mutual promises set forth below, the parties hereto agree as follows:

1. The Recitals to this Agreement are incorporated herein by this reference.
2. In order to permit the Borrower to borrow said amount from Lender and secure the same by a Trust Deed on the Property, and in order to induce the Lender to make said loan to the Borrower, the Agency and the City do hereby unconditionally subordinate to the lien of the Lender's Trust Deed any lien to which the Agency or the City may be entitled with respect to any of the Agency's or the City's rights under or in connection with the Regulatory Agreements or otherwise in connection with the Property, with the same effect as if the Trust Deed was executed and recorded prior to the Regulatory Agreements.
3. The Lender and its successors and assigns shall have no personal liability under the Regulatory Agreements and shall have no liability for any violation of the Regulatory Agreements by Borrower.
4. It is understood by the parties hereto that the Lender would not make the loan secured by the Trust Deed in Paragraph D without this Agreement.
5. The successors and assigns in interest of the Agency and the City shall be bound by this Agreement.
6. This Agreement is conditionally delivered and may be used by the Lender and shall become effective only upon execution and recording of the Trust Deed described in Paragraph D.
7. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

[CONTINUED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their respective, duly authorized representatives, as of the day and year first written above.

AGENCY:

**URBAN RENEWAL AGENCY OF THE
CITY OF SALEM, OREGON,**
an Oregon quasi-municipal corporation

By: _____
Signatory Name:
Title:

CITY:

CITY OF SALEM, OREGON,
a political subdivision of the State of Oregon

By: _____
Signatory Name:
Title:

LENDER:

**WASHINGTON FEDERAL BANK, NATIONAL
ASSOCIATION,** a national banking association

By: _____
Signatory Name:
Title:

BORROWER:

MWIC JORY SALEM, LLC,
an Oregon limited liability company

By: MOUNTAIN WEST INVESTMENT
CORPORATION, an Oregon corporation, its
Manager

By: 
Jason E. Tokarski, Vice President

[ACKNOWLEDGMENTS ON FOLLOWING PAGES]

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an Oregon quasi-municipal corporation

By: _____
Signatory Name:
Title:

CITY:

CITY OF SALEM, OREGON,
a political subdivision of the State of Oregon

By: _____
Signatory Name:
Title:

LENDER:

**WASHINGTON FEDERAL BANK, NATIONAL
ASSOCIATION,** a national banking association

By: _____
Signatory Name:
Title: *V.P. CORE BANK*

BORROWER:

MWIC JORY SALEM, LLC,
an Oregon limited liability company

By: MOUNTAIN WEST INVESTMENT
CORPORATION, an Oregon corporation, its
Manager

By: _____
Jason E. Tokarski, Vice President

[ACKNOWLEDGMENTS ON FOLLOWING PAGES]

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an Oregon quasi-municipal corporation

By: 

Signatory Name:
Title:

CITY:

CITY OF SALEM, OREGON,
a political subdivision of the State of Oregon

By: 

Signatory Name:
Title:

LENDER:

**WASHINGTON FEDERAL BANK, NATIONAL
ASSOCIATION,** a national banking association

By: _____

Signatory Name:
Title:

BORROWER:

MWIC JORY SALEM, LLC,
an Oregon limited liability company

By: MOUNTAIN WEST INVESTMENT

CORPORATION, an Oregon corporation, its
Manager

By: _____

Jason E. Tokarski, Vice President

[ACKNOWLEDGMENTS ON FOLLOWING PAGES]

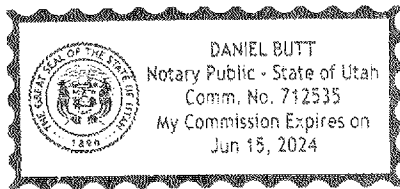
BORROWER:

STATE OF ~~OREGON~~ ^{Utah})

COUNTY OF Salt Lake) ss.

This record was acknowledged before me on 25 Feb, 2021 by Jason E. Tokarski in his capacity as the Vice President of MOUNTAIN WEST INVESTMENT CORPORATION, an Oregon corporation, the Manager of **MWIC JORY SALEM, LLC**, an Oregon limited liability company.

(STAMP)



[Signature]
(Signature of notary public)

Notary Public
(Title of office)

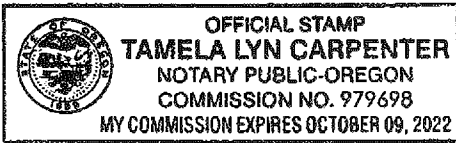
My commission expires: 06/15/2024
(Date)

[CONTINUED ON FOLLOWING PAGE]

AGENCY:

STATE OF OREGON)
) ss.
COUNTY OF Marion)

This record was acknowledged before me on February 26, 2021, by Steven D. Powers as Exec. Director of **URBAN RENEWAL AGENCY OF THE CITY OF SALEM, OREGON**, an Oregon quasi-municipal corporation .



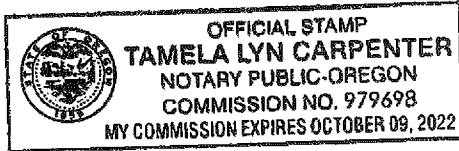
Tamea Lyn Carpenter
Notary Public of Oregon
My Commission Expires: October 9, 2022

[CONTINUED ON FOLLOWING PAGES]

CITY:

STATE OF OREGON)
COUNTY OF Marion) ss.

This record was acknowledged before me on February 26, 2021, by Steven D. Powers as City Manager of CITY OF SALEM, OREGON, a political subdivision of the State of Oregon.



Tamera Lyn Carpenter
Notary Public of Oregon
My Commission Expires: October 9, 2022

[CONTINUED ON FOLLOWING PAGES]

STATE OF OREGON

1

) \$\$.

COUNTY OF MULTNOMAH

)



OFFICIAL STAMP
ANGELA JEANETTE BLOCKER
NOTARY PUBLIC - OREGON
COMMISSION NO. 960851
MY COMMISSION EXPIRES MARCH 27, 2021

Notary Public of Oregon

My Commission Expires:

327.21

EXHIBIT A
LEGAL DESCRIPTION

Parcel 1:

Lot 2, JORY, in the City of Salem, recorded January 5, 2021 in Marion County Book of Town Plats as Plat Volume H48, Page 76 and also referenced in Marion County Deeds recorded in Reel 4431, Page 214. in the County of Marion and State of Oregon.

Parcel 2:

TOGETHER WITH Reciprocal Easement Agreement for Access and Utility purposes, recorded January 27, 2021 as Reel 4441, Page 273, Marion County Records.

REEL: 4457

PAGE: 140

March 02, 2021, 03:50 pm.

CONTROL #: 642986

State of Oregon
County of Marion

I hereby certify that the attached
instrument was received and duly
recorded by me in Marion County
records:

FEE: \$ 131.00

**BILL BURGESS
COUNTY CLERK**

THIS IS NOT AN INVOICE.