

SUBORDINATION AGREEMENT

THIS SUBORDINATION AGREEMENT (the "Agreement") is entered into this ___ day of _____, 20___ (the "Effective Date") by and between the Town of Vail, Colorado, a Colorado home rule municipality with an address of 75 South Frontage Road, Vail, Colorado 81657 (the "Town"), and _____, a financial institution with an address of _____, _____, Colorado _____ ("Lender") (each a "Party" and collectively the "Parties").

WHEREAS, the Deed Restriction Agreement dated _____ 20___, recorded on _____, 20___ under Reception No. _____ of the records of the Clerk and Recorder of Eagle County, Colorado, as amended (the "Deed Restriction") burdens the real property more particularly described as _____ on");

WHEREAS, the owner of the Property has requested Lender to issue a loan secured by a deed of trust encumbering the Property; and

WHEREAS, Lender is willing to subordinate the loan to the Deed Restriction under the terms of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the sufficiency of which is mutually acknowledged, the Parties agree as follows :

1. Subordination. Lender unconditionally subordinates its lien under the deed of trust on the Property issued by Lender on _____, 20___ (the "Deed of Trust") to the Deed Restriction. Lender agrees that its lien on and all other rights and interests in the title to the Property resulting from the Deed of Trust will remain subordinate to all rights and interests in the title to the Property resulting from the Deed Restriction, regardless of any renewal, extension or further modification of the Deed of Trust.

2. Notice. If Lender accepts a deed in lieu of foreclosure of the Deed of Trust, Lender shall give the Town written notice within 20 days after the deed is recorded with the Clerk and Recorder of Eagle County, Colorado.

3. Miscellaneous.

a. Modification. This Agreement may only be modified by subsequent written agreement of the Parties.

b. Integration. This Agreement and any attached exhibits constitute the entire agreement between the Parties, superseding all prior oral or written communications.

c. Severability. If any provision of this Agreement is determined to be void by a court of competent jurisdiction, such determination shall not affect any other provision hereof, and all of the other provisions shall remain in full force and effect.

d. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Eagle County, Colorado.

e. Agreement Binding; Assignment. This Agreement, and the terms, covenants, and conditions herein contained, shall inure to the benefit of and be binding upon the heirs, personal representatives, successors, and assigns of the Parties.

f. Third Parties. There are no intended third-party beneficiaries to this Agreement.

g. No Joint Venture. Notwithstanding any provision hereof, the Town shall never be a joint venture in any private entity or activity which participates in this Agreement, and the Town shall never be liable or responsible for any debt or obligation of any participant in this Agreement.

h. Notice. Any notice under this Agreement shall be in writing, and shall be deemed sufficient when directly presented or sent pre-paid, first class United States Mail to the Party at the address set forth on the first page of this Agreement.

i. Recording. This Agreement shall be recorded with the Eagle County Clerk and Recorder.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

TOWN OF VAIL, COLORADO

Scott Robson, Town Manager

ATTEST:

Tammy Nagel, Town Clerk

LENDER:

STATE OF _____)
) ss.
COUNTY of _____)

The foregoing instrument was subscribed, sworn to, and acknowledged before me this _____ day of _____, 20____, by _____ as _____ of the Lender.

My commission expires: _____

(SEAL)

Notary Public