

Bello Terra Property Acquisition
November 30, 2013

Contracted Purchase Price	\$3,800,000.00
City Payments To Date:	
Initial Payment	(500,000.00)
Monthly Zion's Loan Payments	(520,775.31)
Extension Fee 12/26/2012	<u>(50,000.00)</u>
Total Payments	(\$1,070,775.31)
Estimated Payoff Amount	\$2,729,224.69
Estimated Closing Costs	<u>10,000.00</u>
Estimated Amount Due At Closing	<u>\$2,739,224.69</u>
Bond Proceeds Balance	\$2,215,161.40
Bond Proceeds For Demolition/Other Costs	<u>(400,000.00)</u>
Bond Proceeds Available For Purchase	<u>1,815,161.40</u>
Estimated City Funding Requirement	<u><u>(\$924,063.29)</u></u>

INTERFUND PROMISSORY NOTE

\$_____ By the Redevelopment Agency of South Salt Lake _____, 2013

For value received, the South Salt Lake City Redevelopment Agency (“the RDA”) promises to pay the City of South Salt Lake Capital Improvements Fund (“the Capital Fund”), the principal sum of _____ \$_____, together with a rate of interest to be calculated annually at the rate of one and one-half per cent (1.5%). The obligation to pay this Interfund Promissory Note shall be a limited and special obligation, payable only from and limited by the availability of the funds described herein. This promissory note may not be transferred or assigned.

Payments received from tenants of the RDA property being purchased using these funds shall be deposited in the Capital Fund against this obligation and will be applied toward the principal. Accrued interest shall be paid annually to the Capital Fund. The principal and any accrued interest are due and owing upon the sale of the encumbered property by the RDA. Additional payments toward the obligation may be made without penalty.

The principal amount covered by this Interfund Promissory Note represents money advanced by the City’s Capital Fund for payment of a portion of costs for the purchase of real property located in the Central Pointe Redevelopment Area pursuant to a purchase contract between the RDA and the seller.

The promissory note is payable by way of “interfund transfer” from the RDA to the Capital Fund.

THE CITY OF SOUTH SALT LAKE

Date: _____

By _____
Cherie Wood, Mayor

Attest:

Craig Burton, City Recorder

WHEN RECORDED, MAIL TO:

South Salt Lake City Attorney Office
Attn: Paul H. Roberts
220 E. Morris Ave, Suite 200
South Salt Lake City, Utah 84115

ALL-INCLUSIVE TRUST DEED

THIS TRUST DEED, made this _____ day of _____, 2013, between the Redevelopment Agency of South Salt Lake City, referred to herein as Trustor, whose address is 220 East Morris Avenue, Suite 200, South Salt Lake, Utah 84115; Lyn Creswell, Attorney at Law, as Trustee, whose address is 220 E. Morris Avenue, Suite 200, South Salt Lake, Utah 84115; and City of South Salt Lake, referred to herein as Beneficiary, whose address is 220 East Morris Avenue, South Salt Lake, Utah 84115.

WITNESSETH: That Trustor CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER OF SALE, the following described property, situated in Salt Lake County, State of Utah:

Beginning at a point which lies South 89°52'00" West 33.00 feet from the Northeast Corner of Lot 12, Block 40, Ten Acre Plat "A", Big Field Survey as recorded in the Salt Lake County, Utah Recorder's Office, (said point of beginning also lies on the West line of State Street); and running thence South 0°05'00" West 419.92 feet along said West line to North line of Haven Lane (also known as Haven Avenue in some instruments of record); thence South 89°52'00" West 511.50 feet along said North line; thence North 0°03'34" East 164.40 feet; thence North 89°52'00" East 17.09 feet; thence North 0°03'34" East 99.75 feet, more or less; thence South 89°52'00" West 193.00 feet to the East line of Main Street; thence North 0°03'06" East 155.75 feet along said East line more or less to the South line of the Denver and Rio Grande Western Railroad; thence North 89°52'00" East 687.61 feet to the point of beginning.

Parcel No. 16-19-151-013

FOR THE PURPOSE OF SECURING (1) payment of indebtedness and all other lawful charges evidenced by an Interfund Promissory Note (the "Note") of even date herewith, in the principal sum of _____ U.S. Dollars and no cents (\$ _____) made by Trustor, payable to the order of Beneficiary at the times and in the manner as therein set forth, including any extensions, adjustments, renewals and modifications thereof; (2) the performance of each agreement of Trustor contained in this Trust Deed and the Note; (3) the payment of such additional loans or advances as hereafter may be made to Trustor, or their successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Trust Deed; and (4) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms of this Trust Deed or the Note, together with interest thereon as provided in such documents.

TO PROTECT THE SECURITY OF THIS TRUST DEED, TRUSTOR AGREES:

1. To keep said Property in good condition and repair; to comply with all laws, covenants and restrictions affecting said Property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said Property in violation of law; and to do all other acts which from the character or use of said Property may be reasonably necessary, the specific enumerations herein not excluding the general.

Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this numbered paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

2. To keep the habitable buildings and improvements hereafter erected or placed on the Property insured against loss by fire, and such other casualties and in such types and forms of insurance, and in such amounts as may be required by, and in such companies as may be satisfactory to Beneficiary, with loss payable clause in favor of Beneficiary, and to pay the premiums therefor promptly when due, and the policies of insurance shall be held by Beneficiary, it being understood, however, that Beneficiary shall in no event be responsible for the sufficiency or form or substance of any policy of insurance, or for the solvency or sufficiency of any insurance company with respect to the insurance herein provided. In event of loss, Trustor shall give immediate notice to Beneficiary, who may make proof of loss, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary instead of to Trustor and Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by Beneficiary, at its option, to the reduction of the indebtedness hereby secured or to the restoration or repair of the Property damaged.

Beneficiary is hereby authorized to settle all insurance claims and collect all insurance funds accruing to the benefit of Trustor and/or Beneficiary, and to facilitate the collection of such insurance, Trustor hereby authorizes Beneficiary to execute, sign and deliver all necessary and proper proofs of loss, claims, waivers, and all other documents necessary for or incidental to the collection of such insurance, and if necessary to institute such proceeding in law or equity as may be necessary for the collection of such insurance, to receive all insurance proceeds, and to make such compromise and/or settlements as may be deemed necessary and advisable, and to sign, endorse and cash, in their own names or as attorney-in-fact for Trustor, any and all drafts, checks, or other instruments delivered in payment of any insurance claim.

3. To appear in and defend any action or proceeding purporting to affect the security hereof, the title to said Property, or the rights or powers of Beneficiary or Trustee; and should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, to pay all costs and expenses, including cost of evidence of title and attorney fees in a reasonable sum incurred by Beneficiary or Trustee.

4. Should Trustor fail to do any act as herein provided, then Beneficiary or Trustee, but without objection so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said

Property for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights of powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title, employ counsel, and pay his reasonable fees.

5. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with the repayment thereof secured hereby.

IT IS MUTUALLY AGREED THAT:

6. Should said Property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage to the full extent of the amount owed by Trustor to Beneficiary under the terms of the Note. Trustor agrees to execute such further assignments of any compensation, award, damages, and rights of action and proceeds as Beneficiary or Trustee may require in order to assure that the amounts owed by Trustor to Beneficiary are paid in full in accordance with the payment terms set forth in the Note.

7. At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Trust Deed and the Note for endorsement (in case of full reconveyance, for cancellation and retention), without affecting the liability of any person for the payment of the indebtedness secured hereby, Trustee may (a) consent to the making of any map or plat of said Property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Trust Deed or the lien or charge thereof; (d) grant an extension or modification of the terms of this Trust Deed upon written request of Beneficiary; (e) reconvey, without warranty, all or any part of said Property. The grantee in any reconveyance may be described as "the person or persons entitled thereto", and the recitals therein of any matters or facts shall be conclusive proof of truthfulness thereof.

8. Trustor hereby assigns to Beneficiary, during the continuance of this Trust Deed, all rents, issues, royalties, and profits of the Property affected by this Trust Deed and of any personal property located thereon, as provided in the Note. Failure or discontinuance of Beneficiary at any time or from time to time to collect any such moneys shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power, and authority to collect the same. Nothing contained herein, nor the exercise of the right by Beneficiary to collect, shall be, or be construed to be, an affirmation by Beneficiary of any tenancy, lease or option, nor an assumption of liability under, nor a subordination of the lien or charge of this Trust Deed to any such tenancy, lease or option.

9. Should Trustor sell or convey any portion of the Property, or of any building or improvement now or hereafter located thereon, or any interest whatever therein to any person, firm, or corporation, then the entire indebtedness secured by this Trust Deed at the option of Beneficiary shall become immediately due and payable, and thereupon, Beneficiary may demand immediate payment in full of said indebtedness and may exercise all legal limits to collect said indebtedness, including but not limited to foreclosure of this Trust Deed.

10. Upon any default by Trustor hereunder, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court (Trustor hereby consents to the appointment of Beneficiary as such receivers), and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said Property or any part thereof, in its own name sue for or otherwise collect said rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

11. The entering upon and taking possession of said Property, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of said Property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

12. The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default shall not constitute a waiver of any other or subsequent default.

13. Time is of the essence hereof. Upon default by Trustor in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of Beneficiary. In the event of such default, Beneficiary may execute or cause Trustee to execute a written notice of default and of election to cause said property to be sold to satisfy the obligations hereof, and Trustee shall file such notice for record in each county wherein said Property or some part or parcel thereof is situated. Beneficiary also shall deposit with Trustee, the Note and all documents evidencing expenditures secured hereby.

14. Upon the occurrence of any default hereunder, Beneficiary shall have the option to declare all sums secured hereby immediately due and payable and foreclose this Trust Deed in the manner provided by law for the foreclosure of mortgages in real property and Beneficiary shall be entitled to recover in such proceeding all costs and expenses incident thereto, including a reasonable attorney's fee in such amount as shall be fixed by the court.

15. Beneficiary may appoint a successor trustee at any time by filing for record in the office of the County Recorder of each county in which said Property or some part thereof is situated, a substitution of trustee. From the time the substitution is filed for record, the new trustee shall succeed to all the powers, duties, authority and title of the trustee named herein or of any successor trustee. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

16. Each abstract of title, title insurance policy, or all other evidences of title, and all insurance policies placed or deposited with Beneficiary shall be deemed an incident to the title of the Property herein described and upon sale or foreclosure or otherwise shall pass to the purchaser, and same are hereby pledged as additional security for payment of the indebtedness secured hereby.

17. This Trust Deed shall apply to, inure to the benefit of, and bind all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. All obligations of Trustor hereunder are joint and several. The term "Beneficiary" shall mean the owners and holders, including any pledgee, of the Note secured hereby. In the Trust Deed, whenever the context requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

18. Trustee accepts this Trust when this Trust Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any parties hereto of pending sale under any other Trust Deed or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party, unless brought by Trustee.

19. This Trust Deed shall be construed according to the laws of the State of Utah.

20. The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to Trustor at the address listed above.

TRUSTOR:

Redevelopment Agency of South Salt Lake

By: _____

Its: _____

STATE OF UTAH)

: ss.

COUNTY OF SALT LAKE)

On the ____ day of _____, 2013, personally appeared before me _____ the signer of the preceding Trust Deed, who duly acknowledged before me that ___ signed the same.

Notary Public

REDEVELOPMENT AGENCY OF SOUTH SALT LAKE

RDA Resolution No. 2013-04

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF SOUTH SALT LAKE AUTHORIZING AND DIRECTING ITS CHIEF ADMINISTRATIVE OFFICER TO ISSUE TO THE CITY OF SOUTH SALT LAKE A PROMISSORY NOTE AND TRUST DEED FOR THE FINANCING OF A PURCHASE OF CERTAIN REAL PROPERTY LOCATED WITHIN THE CENTRAL POINTE REDEVELOPMENT AREA.

WHEREAS, the South Salt Lake Redevelopment Agency has entered into a purchase agreement for certain property located within the Central Pointe Redevelopment Area as particularly described in the attached Exhibit; and

WHEREAS, it is in the best interest of the Agency to finance a portion of the final purchase payment by the issuance to the City of South Salt Lake of a promissory note and trust deed in the amount of up to, but not exceeding \$1,000,000.00; and

WHEREAS, the terms of the note and deed, copies of which are attached to this resolution and incorporated by this reference, are reasonable and fair,

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of South Salt Lake that its Chief Administrative Officer is hereby authorized to execute the attached promissory note and trust deed in order to pay for the purchase by the Agency the real property identified in the attached Exhibit.

APPROVED AND ADOPTED by the Redevelopment Agency of South Salt Lake, South Salt Lake, Utah, on this 11th day of DECEMBER, 2013.

BY THE REDEVELOPMENT AGENCY:

Boyd L. Marshall
Chair

Redevelopment Agency Vote as Recorded:

Fitts	<u>Aye</u>
Gold	<u>Aye</u>
Jones	<u>Aye</u>
Marshall	<u>Aye</u>
Rutter	<u>Aye</u>
Turner	<u>Aye</u>
Weaver	<u>Aye</u>



ATTEST:

C. J. [Signature]
Secretary