

## SUBORDINATION AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022 between City of Minot (referred to herein as "Owner") and First Western Bank & Trust (referred to herein as "Lender").

1. Accommodation to Lender: Owner has or will enter in a long term lease with LPND1, LLC, (also referred to herein as "Tenant") for the lease of certain property upon which LPND1, LLC, will operate a transloading facility, described as follows in Ward County, North Dakota:

### **Lots 1, 2 and 3, Logistics Park of North Dakota First Addition to the City of Minot, Ward County, North Dakota.**

Lender is the originating Lender on a loan of these facilities on the leased land. Lenders' security for these loans will include all of Tenant's interest in the lease of the above described premises, including all options or rights to purchase, and all of the personal property and business assets of LPND1, LLC, including all improvements constructed on the leased premises. In order to induce Lender to enter into these loans, and to preserve and enhance its security, Owner enters into this agreement with Lender.

2. Consent to Mortgage: Owner hereby consents to LPND1, LLC, mortgage of its interest under the lease and to the premises as to Lots 1 and 2 to Lender as security for one or more loans from Lender on its assets to LPND1, LLC, now or in the future, and to the extension, refinancing, renewal, replacement of these mortgages without any consent required from Owner.

3. Lease: No amendments, changes, modifications or revisions to the Lease, or any extension of term shall be effective without Lender's written approval. Lender consents to the assignment of the lease from Westbrand Real Estate Holdings, LLC to LPND1, LLC. Lender further consents to the assignment and subletting of the lease from LPND1, LLC to RMG Minot, LLC.

4. Lenders' Rights: As long as Lender has a lien against the premises by reason of a mortgage or an interest by reason of its purchase of the Tenant's interest in the premises at a foreclosure sale, or conveyance to Lender in lieu of foreclosure, Owner agrees that Lender shall have the following rights, notwithstanding anything apparently to the contrary in the Lease:

a. no act of Tenant or its assigns, including any voluntary termination of the Lease, or any termination of the Lease by Owner or reentry by Owner shall terminate Lender's interest in the leased premises.

b. During any period in which Tenant is in default, or in which the Tenant's interest in the Lease has been terminated by Owner, Lender shall not be responsible for the performance of any of the terms, conditions, or any responsibility of Tenant under the Lease. Owner will during such period keep the premises secure, and pay real estate taxes current, if any. Lender

may during such period obtain and maintain any insurance it deems appropriate on its personal property collateral, but in no event will it be liable for any damage to or claims by Lender for damage to its premises or improvements owned by it, or for any injuries to third parties.

c. If Lender is the purchaser at the sheriff's sale, or takes an assignment or conveyance of Tenant's interest in lieu of foreclosure, Lender may assign the lease, without Owner's consent, to any suitable person or entity as it in its sole discretion deems appropriate, and such assignee shall succeed to all of Tenant's rights under the Lease as though it had never been terminated. Lender may foreclose its interest in the premises, including the lease interest, and sell it at a Sheriff's sale, and Owner expressly agrees that the purchaser at the Sheriff's Sale or its assigns, or any redemptioner, shall be entitled to reinstatement of the Lease and to succeed to all of the Tenant's rights under the Lease as though it had never been terminated.

d. An Assignment of Lease by Lender may be for all of the remaining term, or for a portion of the remaining term; if Lender does not assign the Lease for the remaining term, Lender's rights of assignment as set forth in paragraphs c and d shall again apply.

5. Severance: Owner agrees that all buildings and other improvements constructed by Tenant or its assigns on the leased premises shall remain severed from the real estate, and shall be and remain personal property. Lender shall have the right to remove any such property that is hypothecated as collateral to it by Tenant or its assigns from the premises. Lender shall have the right to sell such property on or off the leased premises.

6. Right of Entry: Lender shall have the right to enter the premises as is reasonably necessary for exercising its rights under its mortgages or this agreement, including but not limited to removal of personal property, inspection or security of collateral, private or judicial sale, or showing the premises to prospective assignees or purchasers.

7. Curing Tenants Defaults: Landlord shall have the right but not the obligation to cure any default by Tenant or its assigns. It is expressly agreed that Lender may affect such cure in the period granted to Tenant in the Lease plus an additional 90 days. If Lender elects to cure, Owner shall reinstate Tenant or its assigns under the Lease as though no default had occurred.

8. Notice: Owner shall deliver to Lender a copy of any notice it sends to Tenant or its assigns, provided no notice to Lender is effective until actual receipt by Lender. For purposes of such notice to Lender, Lender's address is:

First Western Bank & Trust  
Attn: Kevin Bohl  
P. O. Box 1090  
Minot, ND 58702-1090

9. Rights Under Lease: The rights granted to Lender under this agreement are in addition and supplemental to any rights granted to Lender under the Lease.

10. Assignment: Owner agrees that Lender may assign all or part of its interest and rights under this agreement, or under its mortgages, without the consent of Owner. Lender may also appoint an agent to act for it under this agreement.

11. Binding: This agreement shall be binding on the parties, and on each of their successors and assignees.

12. Final Agreement: This is a final agreement between the parties, which may only be modified or amended by a writing signed by the parties or their successors or assigns.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

CITY OF MINOT

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By:

Its:

FIRST WESTERN BANK & TRUST

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By: Kevin Bohl

Its: \_\_\_\_\_

STATE OF NORTH DAKOTA      )  
                                    ) ss.  
COUNTY OF WARD              )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public in and for said county and state, personally appeared SHAUN SIPMA, known to me to be the Mayor of the CITY OF MINOT, who is described in and who executed the within instrument and acknowledged to me that he executed the same.

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Notary Public

STATE OF NORTH DAKOTA        )  
                                      ) ss.  
COUNTY OF WARD                )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me personally appeared Kevin Bohl, known to me to be the VP Commercial Lender & Consumer Banking Manager of First Western Bank & Trust, that is described in, and who executed the foregoing instrument, and acknowledged to me that he executed the same for and on behalf of the First Western Bank & Trust.

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Notary Public