

172048

SUBORDINATION AGREEMENT

15-36-351-016

This Subordination Agreement is made and entered into as of the 7th day of February 2020, by and between United Auto Body & Paint, Inc. (hereinafter referred to as "Tenant"), in favor of Continental Bank, (hereinafter referred to as "Lender").

RECITALS

On February 7, 2020, United Auto Body & Paint, Inc (Tenant) did enter into a lease with Gerdts Holdings LLC (Landlord) covering the following described parcel of real property, situated in Salt Lake County, State of Utah:

SEE ATTACHED EXHIBIT "A"

- B. Gerdts Holdings LLC (hereinafter referred to as "Owners" are currently vested with fee title to the above described property.
- C. Owners have executed, or are about to execute a deed of trust and note and other related documents(hereinafter collectively referred to as the "Loan Documents") in the sum of \$1,390,000.00 dated February 7, 2020, in favor of Lender, payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith. Deed of Trust being recorded as Entry Number 13190550, in Book 10894 at Page 7618.
- D. It is a condition precedent to obtaining said loan that the Loan Documents shall be and remain at all times a lien or charge upon the land hereinabove described, prior and superior to the lien or charge of the Lease.
- E. Lender is willing to make said loan provided the Loan Documents securing the same constitute a lien or charge upon the above described property prior and superior the Lease and provided that Tenant will specifically and subordinate the Lease to the lien or charge of the Loan Documents.
- F. It is to the mutual benefit of the parties hereto that Lender make such loan to Owners; and Tenant is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is prior and superior to the Lease.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and for other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows.

- (1) That the Loan Documents, including, but not limited to, the deed of trust securing said note in favor of Lender, shall be and remain at all times a lien or charge on the property therein described, prior and superior to the Lease.
- (2) That Lender would not make its loan above described without this Subordination Agreement.
- (3) That this agreement shall be the only agreement with regard to the subordination of the Lease to the lien or charge of the Loan documents and shall supersede and cancel, but only insofar as would affect the priority between the deed of trust and lease hereinbefore specifically described, any prior agreements as to such subordinations, including, but not limited to, those provisions, if any, contained in the Lease, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Tenant declares, agrees and acknowledges that:

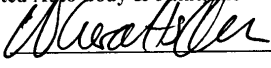
(a) He consents to and approves (i) of all provisions of the Note and Deed of Trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements, between Owner and Lender for the disbursement of the proceeds of Lender's loan;

(b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;

(c) He intentionally and unconditionally waives, relinquishes and subordinates the Lease first above mentioned in favor of the lien or charge upon said land of the Deed of Trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination;

(d) An endorsement has been placed upon the Lease first above mentioned that said Lease has by this instrument been subordinated to the lien or charge of the Deed of Trust in favor of Lender above referred to.

United Auto Body & Paint, Inc

By:  President

Gerdts Holdings, LLC, a Utah limited liability company

By: 
Billy Antonio Gerdts, Member

By: 
William J. Gerdts, Member

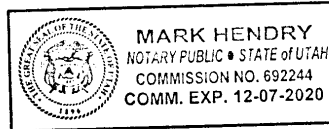
STATE OF UTAH)
COUNTY OF SALT LAKE)

On February 7, 2020 before me, MARK HENDRY a Notary Public, personally appeared BILLY ANTONIO GERDTS, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Utah that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]



STATE OF UTAH)
COUNTY OF)

On February 7, 2020 before me, MARK HENDRY a Notary Public, personally appeared WILLIAM J. GERDTS, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Utah that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]

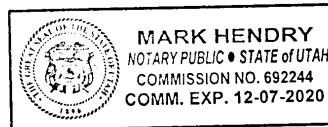


EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1:

THE NORTH 126 FEET OF THE FOLLOWING DESCRIBED TRACT OF LAND, SAID NORTH 126 FEET BEING THE FRONTAGE ON 500 WEST STREET AND MEASURED PERPENDICULAR FROM THE NORTH LINE OF THE TRACT HEREINAFTER DESCRIBED.

BEGINNING ON THE EAST LINE OF LOT 3, BLOCK 2, SECTION 36, TOWNSHIP 1 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN AT A POINT SOUTH 0 DEG 09 MIN 30 SEC EAST 365.65 FEET FROM THE NORTHEAST CORNER OF SAID LOT 3; AND RUNNING THENCE SOUTH 0 DEG 09 MIN 30 SEC EAST ALONG SAID LOT LINE 252.93 FEET; THENCE NORTH 89 DEG 03 MIN WEST 534.93 FEET; THENCE NORTH 55 DEG 45 MIN EAST 34.98 FEET; THENCE NORTH 34 DEG EAST 130.02 FEET; THENCE NORTH 23 DEG 30 MIN EAST 125.88 FEET; THENCE NORTH 89 DEG 50 MIN 30 SEC EAST 382.22 FEET TO THE POINT OF BEGINNING.

PARCEL 1A:

A PERPETUAL AND NON-EXCLUSIVE RIGHT OF INGRESS AND EGRESS FOR VEHICULAR AND PEDESTRIAN TRAFFIC OVER THE EASEMENT PREMISES TO INSPECT, MAINTAIN, REPAIR AND OPERATE ELECTRICAL EQUIPMENT ON THE SOUTH WALL OF THE BUILDING LOCATED ON THE JOY PROPERTY.

BEGINNING AT A POINT SOUTH 0 DEG 09 MIN 30 SEC EAST 524.34 FEET AND SOUTH 89 DEG 50 MIN 30 SEC WEST 92.00 FEET FROM THE MONUMENT LOCATED AT THE INTERSECTION OF 3900 SOUTH STREET AND 500 WEST STREET, AND RUNNING THENCE SOUTH 01 DEG 19 MIN 10 SEC WEST 4.00 FEET; THENCE SOUTH 89 DEG 50 MIN 46 SEC WEST 21.05 FEET; THENCE NORTH 01 DEG 19 MIN 10 SEC EAST 4.00 FEET; THENCE NORTH 89 DEG 50 MIN 46 SEC EAST 21.05 FEET TO THE POINT OF BEGINNING.