

WHEN RECORDED RETURN TO:
Mountain West Small Business Finance
2595 East 3300 South
Salt Lake City, Utah 84109

5-047942
04-09-476-0246
06-10-300-012

12005956
3/6/2015 3:51:00 PM \$17.00
Book - 10302 Pg - 7124-7127
Gary W. Ott
Recorder, Salt Lake County, UT
BACKMAN TITLE SERVICES
BY: eCASH, DEPUTY - EF 4 P.

**Real Estate Lease
Subordination Agreement and Assignment of Rents**

This Subordination Agreement is entered into by:

LARKIN DEVELOPMENT, INC.

("Lessee") for the benefit of Mountain West Small Business Finance ("MWSBF") and its successor in interest, the Small Business Administration ("SBA").

RECITALS

A. Lessee has heretofore leased from:

LARKIN ENTERPRISES, L.L.C.

("Lessor") by lease dated February 25, 2015 for a term of twenty years (the "Lease") certain real and personal property described in SBA Loan Authorization, SBA 504 No.: 62392650-09 (the "Leased Premises") known as:

2800 North 2200 West, Salt Lake City, UT 84116

located in the County of Salt Lake, State of Utah and described as follows:

See Exhibit "A" which is attached hereto and incorporated herein by this reference.

B. MWSBF and the SBA have authorized the making of an SBA 504 Loan, Loan No. 62392650-09, to Lessor in the amount of \$ 219,000.00, due and payable on or before a time to be determined by the U.S. Secretary of the Treasury (the "Loan").

C. The Loan is for the benefit of both Lessee and Lessor, in that the funds are to be used for the benefit of the business conducted on the Leased Premises purchased and/or renovated by Loan proceeds.

D. A condition of the Loan is that the Lease be subordinated to the lien of a trust deed executed by Lessor and recorded as a lien superior to the Lease.

AGREEMENT

NOW, THEREFORE, in consideration of disbursement of the Loan or any part thereof, and for other good and valuable consideration the receipt and legal sufficiency of which are hereby acknowledged, Lessee covenants and agrees as follows:

1. No Default. Lessee is not now in default in the performance of the Lease; and Lessee will perform the covenants and conditions required of is by the Lease for the term of the Loan and any extensions or renewals of it.

2. Subordination of Lease. All rights under the Lease together with any and all right, interest, estate, title, lien, or charge against or respecting the Leased Premises (or any portion thereof) by virtue of the Lease, shall be and the same are hereby made subject, subordinate, inferior, and junior to the lien and title of MWSBF and the SBA represented by the SBA Note in the amount of § 219,000.00 and security instruments related to the Loan, including without limitation the Promissory Note, Deed of Trust, Security Agreement and UCC Financing Statements (filed with the Uniform Commercial Code Division for the State of Utah and as fixture filings in Salt Lake County, Utah) (the "Loan Documents") and to all rights, powers, title, and authority of MWSBF and the SBA under or in any way related to or arising out of the Loan Documents and to all sums heretofore or hereafter advanced on the security of the Loan Documents or any of them, including all sums advanced or costs incurred as fees, expenses, disbursements, or charges in connection with the Loan Documents or the Loan. The Lease Rights, together with any and all right, interest, estate, title, lien, or charge against or respecting the Leased Premises (or any portion thereof) by virtue of the Lease, are hereby subordinated to the Loan Documents the same and as fully as if the Loan Documents had been executed, delivered and, where appropriate, filed, prior to execution, delivery and filing of the Lease.

3. Assignment of Rents. The undersigned Lessee, for and in consideration of the moneys lent pursuant to the aforesaid note and other valuable consideration, receipt of which is hereby acknowledged, assign, transfer, and set over to CDC/SBA all sub-leases, including rents, profits, and income derived from the real estate and the building and improvements thereon, the full and complete right in SBA, in case of default in the payment of the indebtedness or any part thereof or failure to comply with any of the terms or conditions of the Note, Deed of Trust and Loan Agreements, as its assignee, to demand, collect, receive, and receipt for such rents, income and profits, to take possession of the premises and all leaseholds without having a receiver appointed therefore, to rent and manage the same from time to time and apply the net proceeds of the rents, income, and profits from the property on the indebtedness until all delinquencies, advances, and the indebtedness are paid in full by the application of the rents, or until title, is obtained through foreclosure otherwise.

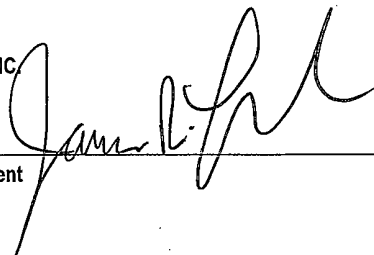
4. This Agreement shall be binding upon and inure to the benefit of the personal representatives, successors and assigns of the parties hereto.

DATED February 25, 2015

LESSEE:

LARKIN DEVELOPMENT, INC

By: James R. Larkin, President

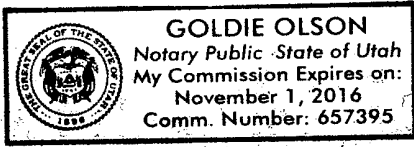


LEASE SUBORDINATION NOTARY PAGE

STATE OF Utah)
 COUNTY OF Salt Lake)
 :ss.

The foregoing instrument was acknowledged before me this 2/25/2015

by James R. Larkin, President
 LARKIN DEVELOPMENT, INC
[Handwritten Signature]
 Notary Public



Order No.: 5-087942

EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL 1:

Beginning at the center of a 4 rod street at the extension fence line being 930.97 feet North from the Southwest corner of the Southeast quarter of the Southeast quarter of Section 9, Township 1 North, Range 1 West, Salt Lake Base and Meridian, and running thence along said fence line South 89 deg. 17'15" East 231.37 feet to a found rebar and cap marking a Boundary Line Agreement in Book 8538 at Page 5539 in the Salt Lake County Recorder's office; thence along said Boundary Line Agreement the following two (2) courses: (1) thence South 89 deg. 52'05" East 528.95 feet; (2) thence South 89 deg. 44'09" East 437.26 feet, more or less, to an existing fence corner marking the West line of the Salt Lake City No. 2 Ditch; thence along said fence line South 46 deg. 26'25" East 156.46 feet; thence South 45 deg. 13'18" East 488.92 feet to an existing fence corner marking the Boundary Line Agreement in Book 9169, Page 3763, in the Salt Lake County Recorder's office; thence along said Boundary Line Agreement North 89 deg. 47'55" West 428.68 feet; thence along an existing fence line North 89 deg. 24'13" West 118.06 feet; thence continuing along said existing fence South 89 deg. 53'29" West 228.26 feet, more or less, to an irrigation ditch; thence North along said ditch 280.40 feet, more or less, to the extension of an existing fence line; thence along said fence line South 89 deg. 53'23" West 550.00 feet; thence North 141.20 feet, more or less, to the extension of an existing fence line; thence along said fence line North 89 deg. 49'45" West 333.00 feet, more or less, to the center of a 4 rod street; thence North along the center of said street 34.48 feet to the point of beginning.

Less and excepting therefrom the Westerly portion of subject property lying within the bounds of 2200 West Street.

Parcel No.: 08-09-476-028

PARCEL 2:

Beginning at a point South 89 deg. 59'57" West 90.60 feet along the section line and North 473.796 feet and East 432.125 feet and North 45 deg. 34'00" West 643.198 feet and South 89 deg. 51'55" East 114.548 feet to the true point of beginning from the Northeast corner of Section 16, Township 1 North, Range 1 West, Salt Lake Base and Meridian, and running thence South 89 deg. 51'55" East 516.654 feet along an old fence and Boundary Agreement line; thence along the Westerly right of way of the proposed I-215 Project Number SP-0067(1)0 for the following three courses: South 20 deg. 02'53" West 326.750; South 17 deg. 35'05" West 61.470 feet; South 24 deg. 11'59" East 23.016 feet; thence North 45 deg. 34'00" West 553.875 feet along the Northeasterly line of the Salt Lake City Drainage Canal to the point of beginning.

Parcel No.: 08-09-476-028, 08-10-300-012