10485723 7/28/2008 10:23:00 AM \$18.00 Book - 9629 Pg - 7294-7298 Gary W. Ott Recorder, Salt Lake County, UT FIRST AMERICAN NCS BY: eCASH, DEPUTY - EF 5 P.

When recorded return to:
Utah Certified Development Company
5333 South Adams Ave., Suite B
Ogden, Utah 84405

337192JT

LEASEHOLD INTEREST SUBORDINATION AGREEMENT

This Agreement made this 14th day of July, 2008, by and between Matthew C. Newman, (herein collectively referred to as "Subordinator") and Utah Certified Development Company, a Utah Corporation (herein referred to as "Lender").

WITNESSETH:

WHEREAS, Subordinator is the Lessee under that certain Lease Agreement (hereafter the "Lease") with Rapid Orthopedic Care Clinic, LLC as Lessor covering a portion only of that certain parcel of real property located at 821 East 400 South Laker Court, SLC, with said leasehold premises utilized by Subordinators for the operation of their business and

WHEREAS, Mana Development, LLC (hereafter "Borrowers") have obtained a loan commitment from Lender, but Lender has required as a condition precedent of such loan that such loan be secured by a Trust Deed (herein "Lender's Trust Deed") that will be in a priority lien position to the Lease and Subordinator's interest as tenant thereunder with the real property (the "Property") subject to Lender's Trust Deed being more particularly described in annexed Exhibit "A;" and

WHEREAS, Subordinator is willing to subordinate any leasehold interest under the Lease insofar as such interest encumbers the Property or any portion thereof subject to Lender's Trust Deed to the full extent of the lien of the Lender's Trust Deed in order that the Borrowers may obtain such loan from Lender; and

WHEREAS, the subordination of Subordinator's leasehold interest in and to the Property or a portion thereof will benefit all parties to this transaction.

NOW THEREFORE, in consideration of the reasons set forth above and the mutual covenants and promises of the parties hereto, the parties agree and covenant as follows:

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- 1. As an inducement to Lender to grant such loan to Borrowers, Subordinator hereby unconditionally subordinates its interests by virtue of the Lease to the Lender's Trust Deed that has been recorded as set forth above. Subordinator further declares that the lien of Lender's Trust Deed shall be and is in all respects a lien prior and superior to any leasehold interest under the Lease in favor of Subordinator.
- 2. Subordinator further agrees that, in the event of foreclosure or exercise of any power of sale as set forth in the Lender's Trust Deed or set forth in any security instrument in favor of Lender, or in any condemnation or eminent domain proceedings the priority as herein established shall be respected to the same extent and in the same manner as if said Lender's Trust Deed or other security instrument in favor of Lender had been earlier in both time of execution and date of recordation than the leasehold interest in favor of Subordinator, to the extent necessary to pay in full nay and all sums secured by Lender's Trust Deed, and Subordinator does assign and transfer to Lender or its assignee the right and privilege to receive Subordinator's interest in such award of condemnation or eminent domain to the extent necessary to pay in full any and all sums secured by Lender's Trust Deed above described and authorizes Lender or its assignee to apply any funds to so received in satisfaction of any sums secured by said Lender's Trust Deed.
- 3. Subordinator acknowledges and agrees that Lender has no obligation to Subordinator to advance any funds under the loan to Borrowers or see to or supervise the application of such funds by Borrowers, and application or use of such funds for purposes other than those provided for in the Loan Documents shall not defeat, or in any way affect, the subordination made herein.
- 4. It is expressly understood and agreed that this Agreement shall supersede, to the extent inconsistent herewith, any provisions of the Lease in favor of Subordinator.
- 5. This subordination is absolute, irrevocable and unconditional, and Subordinator does further hereby agree that Lender or its assignee shall not be (a) liable for any action or omission of Borrowers, (b) obligated to cure any defaults of Borrowers to Subordinator, (c) subject to any offsets or defenses which Subordinator may be entitled to assert against Borrowers, or (d) bound by any amendment or modification of the agreements between Subordinator and Borrowers made without the written consent of Lender.
- 6. Subordinator waives presentment, demand, protest, and notice and agrees that Lender, without notice to or consent of the Subordinator, upon such terms as Lender may deem advisable, without releasing or discharging the Subordinator from the Agreement or affecting the lien or priority of Lender's Trust Deed, may (a) extend, in whole or in part, by renewal or otherwise, the time of payment or performance of any obligation secured by Lender's Trust Deed; (b) release, surrender, exchange, or modify any obligation secured by Lender's Trust Deed, or any security for such obligation; and/or (c) settle or compromise any claim with respect to any obligation secured by Lender's Trust Deed or against any person who has given security for any such obligation. Subordinator ratifies any such extension, renewal, release, surrender, exchange, modification, settlement, or compromise and waives all defenses, counterclaims, or

offsets which he might have by reason thereof.

This Agreement shall run with the land and be binding upon and inure to the benefit of Lender and its successors and assigns, and shall be binding upon and inure to the benefit of Subordinator and its heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

SUBORDINATOR:

Matthew C. Newman, Individually

ACKNOWLEDGEMENT

STATE OF UTAH

COUNTY OF SAT /da \$

On this // day of ______, 2008, personally appeared before me Matthew C. Newman, who being by me duly sworn, did say that he executed the same.______

ROSS ZIMMERMAN :025 S. Wasatch Sivd. iii Lake City. Utah 84124 My Communition Expres January 23, 2010 STATE OF UTAH

5333 So. Adams Ave.
Ogden, Utah 84405
COMM. EXP 12-15-2011

EXHIBIT "A"

Debtor and Trustor:

Mana Development, LLC

to assist, Rapid Orthopedic Care Clinic, LLC

Secured Party and Beneficiary:

Utah Certified Development Company and The U. S. Small Business Administration

Real Property Description

PARCEL 1:

COMMENCING AT THE SOUTHWEST CORNER OF LOT 3, BLOCK 41, PLAT "B", SALT LAKE CITY SURVEY AND RUNNING THENCE EAST 37.75 FEET; THENCE NORTH 10 RODS; THENCE WEST 49.75 FEET; THENCE SOUTH 10 RODS; THENCE EAST 12 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

BEGINNING AT THE NORTHWEST CORNER OF LOT 3, BLOCK 41, PLAT "B", SALT LAKE CITY SURVEY, THENCE EAST 3 RODS; THENCE SOUTH 10 RODS; THENCE WEST 3 RODS; THENCE NORTH 10 RODS TO THE POINT OF BEGINNING.

TOGETHER WITH 1/2 VACATED ALLEY ABUTTING SAID PROPERTY ON THE NORTH.

16 -05-326-007-0000, 16-05-326-005-0000

The address of Parcel 1 is: 821 East 400 South, Salt Lake City, UT 84102

The address of Parcel 2 is: 348 South Laker Court, Salt Lake City, UT 84102

The owner of such real property is: Mana Development, LLC, a Utah limited liability company