

Ent 1139549 Bk 1879 Pg 0034
Date 31-Dec-2015 02:04PM Fee \$23.00
Michael Gleed, Rec. - Filed By GLC
Cache County, UT
For COTTONWOOD TITLE INSURANCE AGENCY, INC.
Electronically Submitted by Simplifile

Tax Serial Number:
04-210-0001; 04-210-0007

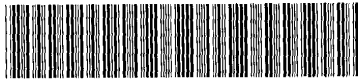
RECORDATION REQUESTED BY:
Wells Fargo Bank, National Association
SBA Lending
100 W. Washington St., 21st Floor
Phoenix, AZ 85003

WHEN RECORDED MAIL TO:
Wells Fargo Bank, National Association
SBA - BBG Loan Ops - Recorded Docs
P.O. Box 659713
San Antonio, TX 78265-9827

SEND TAX NOTICES TO:
Hoopes Holdings LLC
2885 N 200 W
NORTH LOGAN, UT 84341

FOR RECORDER'S USE ONLY

File 80947



200205237324300780

NOTICE: THIS SUBORDINATION AGREEMENT - LEASE RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

SUBORDINATION AGREEMENT - LEASE

THIS SUBORDINATION AGREEMENT - LEASE dated December 26, 2015, is made and executed among LAZY ONE, INC. ("Lessee"); Hoopes Holdings LLC ("Borrower"); and Wells Fargo Bank, National Association ("Lender").

SUBORDINATED LEASE. Lessee has executed a lease dated January 1, 2016 of the property described herein (the "Subordinated Lease").

REAL PROPERTY DESCRIPTION. The Lease covers a portion of the following described real property located in Cache County, State of Utah:

Part of Lots 1 and 7, EAGLE CREEK BUSINESS PARK AMENDED, located in the Northeast quarter of Section 16, Township 12 North, Range 1 East of the Salt Lake Base and Meridian, further described as follows:

Beginning South 89°52'32" East, 7.44 feet and North 01°07'28" East along said West right of way line of U.S. Highway 91, 88.84 feet from the Northeast corner of Section 16, as monumented by a Cache County survey marker said point being by record the intersection of the North line of Section 16, said line being a fence line extended along the South line of a field road and the West right of way line of U.S. Highway 91, thence South 01°07'28" West along the West right of way of said U.S. Highway 91, 45.82 feet; thence North 89°49'03" West 149.32 feet; thence 45.05 feet along a curve to the right with a radius of 240.00 feet, included angle of 10°45'15" and a long chord that bears North 84°26'26" West, 44.98 feet; thence North 79°03'48" West, 124.74 feet; thence 29.58 feet along a curve to the left with a radius of 160.00 feet, included angle of 10°35'27" and a long chord that bears North 84°21'32" West, 29.53 feet; thence North 89°39'15" West, 1041.50 feet; thence 70.69 feet along a curve to the right with a radius of 45.00 feet, included angle of 90°00'00" and a long chord that bears South 44°39'15" East, 63.64 feet; thence South 00°20'45" West 1068.47 feet to the true point of beginning; thence South 00°20'45" West 303.87 feet along the West right of way line of 200 West; thence 68.76 feet along a curve to the right with a radius of 45.00 feet, included angle of 87°32'30" and a long chord that bears South 44°07'00" West, 62.26 feet; thence South 87°53'15" West 432.15 feet along the North right of way line of 2850 North Street; thence 48.41 feet along a curve to the right with a radius of 30.00 feet, included angle of 92°27'30" and a long chord that bears North 45°53'00" West, 43.33 feet; thence North 00°20'45" East 337.39 feet along the East line of the 300 East right of way; thence South 89°39'15" East 506.11 feet to a point on the West right of way line of 200 East and the point of beginning.

The Real Property or its address is commonly known as 2885 N 200 W, NORTH LOGAN, UT 84341. The Real Property tax identification number is 04-210-0001; 04-210-0007.

SUPERIOR INDEBTEDNESS. Lender has extended or has agreed to extend the following described financial accommodations to Borrower, secured by the Real Property (the "Superior Indebtedness"):

All indebtedness now or hereafter secured by the deed of trust or mortgage evidencing the Lender's Lien, including without limitation, all principal, interest and other amounts, costs and expenses payable under the Note or Related Documents and any renewals of, extensions of, modifications of, consolidations of and substitutions for the Note and Related Documents.

LENDER'S LIEN. The Superior Indebtedness is or will be secured by the Real Property and evidenced by a mortgage, deed of trust, or other lien instrument, dated December 26, 2015, from Borrower to Lender (the "Lender's Lien"). As a condition to the granting of the requested

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financial accommodations, Lender has required that the Lender's Lien be and remain superior to the Subordinated Lease.

REQUESTED FINANCIAL ACCOMMODATIONS. Lessee and Borrower each want Lender to provide financial accommodations to Borrower in the form of the Superior Indebtedness. Borrower and Lessee each represent and acknowledge to Lender that Lessee will benefit as a result of these financial accommodations from Lender to Borrower, and Lessee acknowledges receipt of valuable consideration for entering into this Subordination.

NOW THEREFORE THE PARTIES TO THIS SUBORDINATION HEREBY AGREE AS FOLLOWS:

SUBORDINATION. All of Lessee's right, title, and interest in and to the Subordinated Lease and the Real Property is and shall be subordinated in all respects to Lender's Lien and the Superior Indebtedness, and it is agreed that Lender's Lien shall be and remain, at all times, prior and superior to Lessee's interests in the Subordinated Lease and the Real Property. Lessee also subordinates to Lender's Lien all other Security Interests in the Real Property held by Lessee, whether now existing or hereafter acquired.

LESSEE'S REPRESENTATIONS AND WARRANTIES. Lessee hereby represents and warrants to Lender that Lessee has heretofore delivered to Lender a true, correct and complete copy of the Lease, which constitutes the entire agreement between the parties thereto and Lessee further acknowledges that the Lease is in full force and effect and that no default by Lessee or, to Lessee's knowledge, by other party under the terms and provisions of the Lease exists as of the date hereof.

LESSEE WAIVERS. Lessee waives any right to require Lender: (A) to make, extend, renew, or modify any loan to Borrower or to grant any other financial accommodations to Borrower whatsoever; (B) to make any presentment, protest, demand, or notice of any kind, including notice of any nonpayment of any secured by Lender's Lien, or notice of any action or nonaction on the part of Borrower, Lender, any surety, endorser, or other guarantor in connection with the Superior Indebtedness, or in connection with the creation of new or additional indebtedness; (C) to resort for payment or to proceed directly or at once against any person, including Borrower; (D) to proceed directly against or exhaust any collateral held by Lender from Borrower, any other guarantor, or any other person; (E) to give notice of the terms, time, and place of any public or private sale of personal property security held by Lender from Borrower or to comply with any other applicable provisions of the Uniform Commercial Code; (F) to pursue any other remedy within Lender's power; or (G) to commit any act or omission of any kind, at any time, with respect to any matter whatsoever.

LENDER'S RIGHTS. Lender may take or omit any and all actions with respect to Lender's Lien without affecting whatsoever any of Lender's rights under this Subordination. In particular, without limitation, Lender may, without notice of any kind to Lessee, (A) make one or more additional secured or unsecured loans to Borrower; (B) repeatedly alter, compromise, renew, extend, accelerate, or otherwise change the time for payment or other terms of the Superior Indebtedness or any part of it, including increases and decreases of the rate of interest on the Superior Indebtedness; extensions may be repeated and may be for longer than the original loan term; (C) take and hold collateral for the payment of the Superior Indebtedness, and exchange, enforce, waive, and release any such collateral, with or without the substitution of new collateral; (D) release, substitute, agree not to sue, or deal with any one or more of Borrower's sureties, endorsers, or guarantors on any terms or manner Lender chooses; (E) determine how, when and what application of payments and credits, shall be made on the Superior Indebtedness; (F) apply such security and direct the order or manner of sale of the security, as Lender in its discretion may determine; and (G) transfer this Subordination to another party.

DEFAULT BY BORROWER. If Borrower becomes insolvent or bankrupt, this Subordination shall remain in full force and effect. In the event of a corporate reorganization or corporate arrangement of Borrower under the provisions of the Bankruptcy Code, as amended, this Subordination shall remain in full force and effect and the court having jurisdiction over the reorganization or arrangement is hereby authorized to preserve such priority and subordination provided under this Subordination in approving any such plan of reorganization or arrangement. Any default by Borrower under the terms of the Subordinated Lease also shall constitute an event of default under the terms of the Superior Indebtedness in favor of Lender.

FACSIMILE AND COUNTERPART. This document may be signed in any number of separate copies, each of which shall be effective as an original, but all of which taken together shall constitute a single document. An electronic transmission or other facsimile of this document or any related document shall be deemed an original and shall be admissible as evidence of the document and the signer's execution.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Subordination:

Amendments. This Subordination, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Subordination. No alteration of or amendment to this Subordination shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Subordination, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. However, Lessee will only pay reasonable attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred after Lessee's default. Lessee also will pay any court costs, in addition to all other sums provided by law.

Authority. The person who signs this Subordination as or on behalf of Lessee represents and warrants that he or she has authority to execute this Subordination and to subordinate the Subordinated Indebtedness and the Lessee's security interests in Lessee's property, if any.

Caption Headings. Caption headings in this Subordination are for convenience purposes only and are not to be used to interpret or define the provisions of this Subordination.

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Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Subordination will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Utah. In all other respects, this Subordination will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Subordination is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Subordination has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Arizona.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Subordination unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Subordination shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Subordination. No prior waiver by Lender, nor any course of dealing between Lender and Lessee, shall constitute a waiver of any of Lender's rights or of any of Lessee's obligations as to any future transactions. Whenever the consent of Lender is required under this Subordination, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Successors. This Subordination shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Subordination, and the covenants of Lessee herein in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any or all of the Superior Indebtedness.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Subordination. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Subordination shall have the meanings attributed to such terms in the Uniform Commercial Code:

Borrower. The word "Borrower" means Hoopes Holdings LLC and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Lender. The word "Lender" means Wells Fargo Bank, National Association, its successors and assigns.

Note. The word "Note" means the Note dated December 26, 2015 and executed by Hoopes Holdings LLC in the principal amount of \$4,316,900.00, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Subordination.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

Security Interest. The words "Security Interest" mean, without limitation, any and all types of collateral security, present and future, whether in the form of a lien, charge, encumbrance, mortgage, deed of trust, security deed, assignment, pledge, crop pledge, chattel mortgage, collateral chattel mortgage, chattel trust, factor's lien, equipment trust, conditional sale, trust receipt, lien or title retention contract, lease or consignment intended as a security device, or any other security or lien interest whatsoever whether created by law, contract, or otherwise.

EACH PARTY TO THIS SUBORDINATION ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS SUBORDINATION, AND EACH PARTY AGREES TO ITS TERMS. THIS SUBORDINATION IS DATED DECEMBER 26, 2015.

BORROWER:

HOOPES HOLDINGS LLC

By: 
Lyle C Hoopes, Member of Hoopes Holdings LLC

By: 
Travis L Hoopes, Member of Hoopes Holdings LLC

LESSEE:

LAZY ONE, INC.

By: 
Lyle C Hoopes, President of LAZY ONE, INC.

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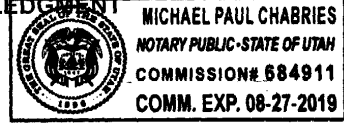
LENDER:

WELLS FARGO BANK, NATIONAL ASSOCIATION

x Scott A. Johnson
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF UTAH)
) SS
COUNTY OF CACHE)

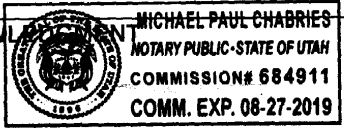


On this 30th day of December, 20 15, before me, the undersigned Notary Public, personally appeared Liesl C Hoopes, Member of Hoopes Holdings LLC, and known to me to be a member or designated agent of the limited liability company that executed the Subordination Agreement - Lease and acknowledged the Subordination to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Subordination and in fact executed the Subordination on behalf of the limited liability company.

By Michael P Chabries Residing at Davis
Notary Public in and for the State of UTAH My commission expires 8-27-19

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF UTAH)
) SS
COUNTY OF CACHE)



On this 30th day of December, 20 15, before me, the undersigned Notary Public, personally appeared Travis L Hoopes, Member of Hoopes Holdings LLC, and known to me to be a member or designated agent of the limited liability company that executed the Subordination Agreement - Lease and acknowledged the Subordination to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Subordination and in fact executed the Subordination on behalf of the limited liability company.

By Michael P Chabries Residing at Davis
Notary Public in and for the State of UTAH My commission expires 8-27-19

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LENDER:

WELLS FARGO BANK, NATIONAL ASSOCIATION

X 
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

On this _____ day of _____, 20____, before me, the undersigned Notary Public, personally appeared **Liesl C Hoopes, Member of Hoopes Holdings LLC**, and known to me to be a member or designated agent of the limited liability company that executed the Subordination Agreement - Lease and acknowledged the Subordination to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Subordination and in fact executed the Subordination on behalf of the limited liability company.

By _____ Residing at _____
Notary Public in and for the State of _____ My commission expires _____

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

On this _____ day of _____, 20____, before me, the undersigned Notary Public, personally appeared **Travis L Hoopes, Member of Hoopes Holdings LLC**, and known to me to be a member or designated agent of the limited liability company that executed the Subordination Agreement - Lease and acknowledged the Subordination to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Subordination and in fact executed the Subordination on behalf of the limited liability company.

By _____ Residing at _____
Notary Public in and for the State of _____ My commission expires _____

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CORPORATE ACKNOWLEDGMENT

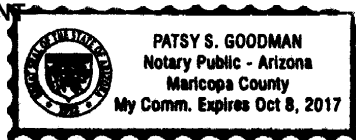
STATE OF _____)
) SS
COUNTY OF _____)

On this _____ day of _____, 20____, before me, the undersigned Notary Public, personally appeared **Liesl C Hoopes, President of LAZY ONE, INC.**, and known to me to be an authorized agent of the corporation that executed the Subordination Agreement - Lease and acknowledged the Subordination to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Subordination and in fact executed the Subordination on behalf of the corporation.

By _____ Residing at _____
Notary Public in and for the State of _____ My commission expires _____

LENDER ACKNOWLEDGMENT

STATE OF ARIZONA)
) SS
COUNTY OF MARICOPA)



On this 29TH day of DECEMBER, 2015, before me, the undersigned Notary Public, personally appeared ROBERT THOMPSON and known to me to be the MOANDOC SPECIALIST, authorized agent for Wells Fargo Bank, National Association that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Wells Fargo Bank, National Association, duly authorized by Wells Fargo Bank, National Association through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and in fact executed this said instrument on behalf of Wells Fargo Bank, National Association.

By Patsy S. Goodman Residing at PHOENIX, ARIZONA
Notary Public in and for the State of ARIZONA My commission expires OCT. 8, 2017

CORPORATE ACKNOWLEDGMENT

STATE OF UTAH)
) SS
COUNTY OF CACHE)

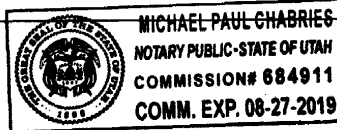


On this 30th day of December, 20 15, before me, the undersigned Notary Public, personally appeared Liesl C Hoopes, President of LAZY ONE, INC., and known to me to be an authorized agent of the corporation that executed the Subordination Agreement - Lease and acknowledged the Subordination to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Subordination and in fact executed the Subordination on behalf of the corporation.

By Michael P Chabries Residing at Davis
Notary Public in and for the State of UTAH My commission expires 8-27-19

LENDER ACKNOWLEDGMENT

STATE OF UTAH)
) SS
COUNTY OF CACHE)



On this 30th day of December, 20 15, before me, the undersigned Notary Public, personally appeared Scott A. Johnson and known to me to be the Vice President, authorized agent for Wells Fargo Bank, National Association that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Wells Fargo Bank, National Association, duly authorized by Wells Fargo Bank, National Association through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and in fact executed this said instrument on behalf of Wells Fargo Bank, National Association.

By Michael P Chabries Residing at Davis
Notary Public in and for the State of UTAH My commission expires 8-27-19