

Ent 1143535 Bk 1887 Pg 0335  
Date 15-Mar-2016 08:41AM Fee \$21.00  
Michael Gleed, Rec. - Filed By JA  
Cache County, UT  
For BACKMAN FPTP  
Electronically Submitted by Simplifile

WHEN RECORDED RETURN TO:  
Mountain West Small Business Finance  
2595 East 3300 South  
Salt Lake City, Utah 84109  
6-000999

## Real Estate Lease Subordination Agreement and Assignment of Rents

This Subordination Agreement is entered into by:

LAZY ONE, INC. & RICHMOND APPAREL GROUP, 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:

HOOPES HOLDINGS LLC

("Lessor") by lease dated December 30, 2015 for a term of twenty years (the "Lease") certain real and personal property described in SBA Loan Authorization, SBA 504 No.: 81378550-07 (the "Leased Premises") known as:

3065 & 2885 North 200 West, North Logan, UT 84341

located in the County of Cache, 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. 81378550-07, to Lessor in the amount of \$ 3,533,000.00, 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 \$ 3,533,000.00 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 Cache 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.

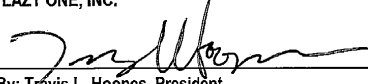
3. Assignment of Rents. The undersigned Lessee, for and in consideration of the moneys lent pursuant to the aforesaid note and other valuable consideration, receipt of which is hereby acknowledged, assign, transfer, and set over to CDC/SBA all sub-leases, including rents, profits, and income derived 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.

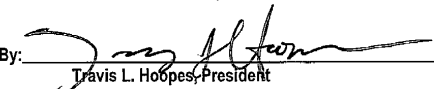
DATED December 30, 2015

LESSEE:

LAZY ONE, INC.

  
By: Travis L. Hoopes, President

RICHMOND APPAREL GROUP, INC.

  
By: Travis L. Hoopes, President



Order No.: 6-066999

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

Parcel 1:

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 West and the point of beginning.

Parcel No.: 04-210-0016  
Address: 2885 North 200 West, North Logan, 84341

Parcel 2:

Unit 1, Eagle Creek Building "A" Condominiums as shown by the official plat thereof, filed November 2, 2009, as Filing No. 1009933 in the office of the Recorder of Cache County, Utah.

And being a part of Lots 3 & 4, Eagle Creek Business Park Amended Plat.  
Together with a right and easement of use and enjoyment in and to the Common Areas and Facilities as described and provided for in the Declaration of Covenants, Conditions and Restrictions and in the Record of Survey map in the official records of said County Recorder.

Parcel No.: 04-210-0031  
Address: 3065 North 200 West, North Logan, Utah 84341

Parcel 3:

Unit 2, Eagle Creek Building "A" Condominiums, as shown by the official plat thereof, filed November 6, 2009, as Filing No. 1010365 in the office of the Recorder of Cache County, Utah, and being a part of Lots 3 & 4, Eagle Creek Business Park, Amended. Together with interest in Common Area.

Parcel No.: 04-210-0032  
Address: 3065 North 200 West, North Logan, Utah 84341

Parcel No.: **04-210-0001, 04-210-0007, 04-210-0031, 04-210-0032**