

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

12422791
11/29/2016 2:19:00 PM \$19.00
Book - 10505 Pg - 2716-2720
Gary W. Ott
Recorder, Salt Lake County, UT
BARTLETT TITLE INS AGCY
BY: eCASH, DEPUTY - EF 5 P.

LEASE SUBORDINATION AGREEMENT AND ASSIGNMENT OF RENTS

THIS LEASE SUBORDINATION AGREEMENT AND ASSIGNMENT OF RENTS (this “Subordination Agreement”) is made and given by Ridge Rock, Inc. (“Lessee”) to and 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 Big Rock Properties, LLC (“Lessor”) by lease dated November 22, 2016 for a term of twenty years (the “Lease”) certain real and personal property described in SBA Loan Authorization, SBA 504 No.: 78939750-09 (the “Leased Premises”) known as 985 West 14600 South, Bluffdale, Utah 84065 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. 78939750-09 to Lessor in the amount of \$955,000.00, 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 it by the Lease for the term of the Loan and any extensions or renewals of it.

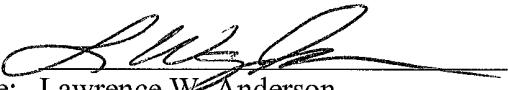
2. Subordination of Lease. All rights under the Lease, together with any and all right, interest, estate, title, lien, or charge against or respecting the Leased Premises (or any portion thereof) by virtue of the Lease (the “Lease Rights”), shall be and the same hereby are made subject, subordinate, inferior, and junior to the lien and title of MWSBF and the SBA evidenced by the SBA Note in the amount of \$955,000.00 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 portion thereof, by virtue of the Lease, are hereby subordinated to the Loan Documents to the same extent 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. For and in consideration of the moneys lent pursuant to the aforesaid Note and other valuable consideration, receipt of which is hereby acknowledged, the undersigned Lessee hereby assigns, transfers, and sets over to CDC and SBA all sub-leases, including rents, profits, and income derived from the real estate and the building and improvements thereon. Lessee further grants to the SBA, as Lessee’s assignee, the full and complete right, in case of default by Lessee or Lessor 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, to demand, collect, receive, and give receipt for such rents, income and profits, and 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. Miscellaneous. This Subordination Agreement shall be binding upon and inure to the benefit of the personal representatives, successors and assigns of the parties hereto. Lessee represents to CDC and the SBA that, to the best of its knowledge, information and belief, the statements set forth in the above Recitals are true and accurate in all material respects. Lessee intends that the forgoing Recitals form a part of this Subordination Agreement and incorporate the same herein by this reference. Lessee hereby irrevocably waives all right to trial by jury in any action, proceeding or counterclaim arising out of or relating to this Subordination Agreement.

This Subordination Agreement is executed and effective as of November 22, 2016.

RIDGE ROCK, INC.,
a Utah corporation

By: 
Name: Lawrence W. Anderson
aka L. Wayne Anderson
Its: President

LEASE SUBORDINATION NOTARY PAGE

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

The foregoing instrument was acknowledged before me this 22nd day of November, 2016,
by Lawrence Anderson, the President of RIDGE ROCK, INC.

J. David Smith
Notary Public

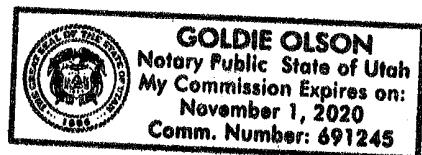


EXHIBIT "A"

LEGAL DESCRIPTION

The following real property is located in Salt Lake County, Utah:

Beginning at a point which is West 2227.23 feet from the East Quarter Corner of Section 11, Township 4 South, Range 1 West, Salt Lake Base and Meridian, and running thence South 00°05'10" West 541.05 feet (540.247 feet by deed); thence South 89°36'28" West 409.59 feet; thence North 00°59'54" East 499.60 feet (498.89 feet by deed); thence North 84°12'50" East 142.07 feet (143.4 feet by deed); thence North 30.00 feet; thence East 260.35 feet (260.353 feet by deed) to the point of beginning.

Together with a 50 foot private right of way described as follows: Beginning at a point which is West 2512.45 feet and South 32.52 feet from the East Quarter Corner of Section 11, Township 4 South, Range 1 West, Salt Lake Base and Meridian, and running thence South 49°13'42" West 155.87 feet; thence South 00°59'54" West 1276.67 feet; thence North 89°00'06" West 50.00 feet; thence North 00°59'54" East 1299.03 feet; thence North 49°13'42" East 106.84 feet; thence North 84°12'50" East 87.18 feet to the point of beginning.

Less and excepting that portion of land conveyed to City of Bluffdale by that certain Warranty Deed recorded January 20, 2015 as Entry No. 12208854 in Book 10396 at Page 9118.

Parcel No. 33-11-402-002