

When recorded return to:

Snell & Wilmer
One Arizona Center
Phoenix, Arizona 85004-2202
Attention: Craig K. Williams, Esq.



For Recorder's Use

SUBORDINATION, ATTORNMEN
AND NON-DISTURBANCE AGREEMENT

DATE: February 27, 2002

PARTIES: PETERSEN MOTOR CO., INC., a Utah corporation, whose address is 900 West Riverdale Road, Ogden, Utah 84405 ("Lessee"); BANK ONE, NA, with its main office in Chicago, Illinois, a national banking association, Post Office Box 71, Phoenix, Arizona 85001, Attention: Department AZ1-2304 ("Lender").

RECITALS:

A. Lender has made a loan to PETERSEN INVESTMENT, II, a Utah general partnership ("Borrower") (the "Loan").

B. As security for repayment of the Loan and performance of Borrower's obligations to Lender, Borrower has executed and delivered to Lender, among other things, a Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing, dated February __, 2002, which will be recorded in the official records of Davis County, Utah (the "Deed of Trust") wherein Lender is beneficiary and Bank One, NA, a national banking association, is trustee, granting to the Lender a lien on the real property described in Exhibit A attached hereto and made a part hereof by this reference (the "Property").
TAX PARCEL #06-016-0001, 06-016-0029, 06-016-0033

C. Lessee claims an interest in the Property by virtue of a Lease Agreement (the "Lease") made by and between Lessee and Borrower, as lessor, dated January 3, 2002, covering a portion of the Property and improvements thereon.

D. Lender has agreed to make the Loan to Borrower, but only if, among other things, Lessee subordinates any and all right, title, and interest it now has or hereafter acquires in and to the Property to the lien of the Deed of Trust.

NOW, THEREFORE, in consideration of Lender's agreement to make the Loan, the parties agree as follows:

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E# 1830965 BK2213 PG2296
DOUG CROFTS, WEBER COUNTY RECORDER
01-MAR-2002 2:24 PM FEE \$26.00 DEP JPM
REC FOR: EQUITY.TITLE

AGREEMENTS:

1. Subordination. Lessee hereby completely and unconditionally subjects and subordinates any and all right, title, liens, claims, and interest it now has or hereafter acquires in and to the Property whether pursuant to the Lease or otherwise to Lender's liens on and claims against the Property. Lessee agrees that its subordination hereunder shall apply to the full extent of all principal advanced under the Loan, together with all accrued and accruing interest, and together with all other amounts secured by the Deed of Trust, including without limitation, all attorneys' fees and costs incurred by Lender in connection with the Loan or the Property. Lessee hereby agrees that the Deed of Trust and any and all claims or liens hereafter acquired by Lender in and to the Property are prior and superior to any and all right, title, claims, liens, or interest now held or hereafter acquired by Lessee in and to the Property. This subordination shall extend to any and all increases, renewals, extensions, modifications, substitutions, and consolidations of the Deed of Trust, of the Loan, and of any other documents securing the Loan, and Lender may, without notice or demand, and without affecting the subordination hereunder, (a) renew, compromise, extend, accelerate, or otherwise change the time for payment of or otherwise change the terms of the Loan or any part thereof, including, without limitation, increases or decreases in the principal amount of the Loan and the interest rate thereon, (b) waive or release any part of its lien on the Property, (c) apply proceeds from the sale of the Property and direct the order or manner of sale thereof as Lender, in its discretion, may determine, and (d) assign its rights hereunder or under the Loan, or both, in whole or in part. Lessee further declares, agrees and acknowledges that, in making disbursements of the Loan, Lender has no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom they are disbursed by Lender, and any application or use of such proceeds for purposes other than those provided for in connection with the Loan shall not defeat the subordination made in this Agreement, in whole or in part.

2. Reliance. Lessee acknowledges that the Loan and/or advances thereof would not have been made by Lender without the giving of this Agreement by Lessee and further acknowledges that Lender is relying upon this Agreement in making the Loan and/or advances thereof to Borrower.

3. Transfer of Lease. Any transfer or encumbrance of the Lease or Lessee's interest therein shall be subject to the terms of this Agreement. Lessee hereby agrees to notify any purchaser, assignee, or encumbrancer of the Lease of the terms of this Agreement.

4. Representations and Warranties. Lessee represents and warrants to Lender that:

(a) The Lease is a commercial lease, is in full force and effect, and has not been amended or modified in any way; and there are no documents or written agreements between Lessee and Borrower with respect to the Lease, except those disclosed herein;

(b) Lessee's interests under the Lease have not been assigned or transferred, whether for purposes of security or otherwise, and Lessee has all the requisite power and authority to enter into this Agreement with Lender;

(c) Lessee will faithfully perform all obligations of the lessee under the terms of the Lease;

(d) Lessee has prepaid no rent except as specifically set forth in the Lease; and

(e) To the best of Lessee's knowledge, no uncured event of default or breach on the part of Borrower or Lessee has occurred under the Lease, and no event has occurred which gives Lessee the right to terminate the Lease or otherwise claim defenses, offsets or damages.

5. Direct Payment. Lessee agrees that upon receipt of written request therefor by Lender, rental payments will be made directly to Lender or its order at such place as Lender shall direct. Borrower hereby authorizes Lessee to accept such request from Lender and waives all claims against Lessee for any sums so paid at Lender's request and direction.

6. Liability of Lender. Notwithstanding anything to the contrary contained in this Agreement, Lender and its successors and assigns shall not, by virtue of this Agreement, be or become subject to any liability or obligation to Lessee under the Lease or otherwise, unless Lender or its successors and assigns shall obtain title to the Property, by foreclosure or otherwise; and, moreover, Purchaser in acquiring the interest of Borrower as a result of any such action or proceeding, and its successors and assigns, shall not be: (a) liable for any act or omission of any prior landlord under the Lease (including Borrower); or (b) liable for any damages or other relief attributable to any latent or patent defects in construction with respect to any portion of the Property; or (c) subject to any offsets or defenses which Lessee might have against any prior landlord under the Lease (including Borrower); or (d) bound by any amendment or modification of the Lease made without Lender's prior written consent; or (e) bound by, or responsible for, any security deposit paid by Lessee (unless delivered to and held by Lender); or (f) bound by or responsible for or affected by any purchase option contained in the Lease, which provisions shall be of no force and effect upon the Lender or its successors or assigns; (g) obligated to construct any improvements on the Property (provided that if Purchaser fails to construct improvements as required under the Lease, Lessee may terminate the Lease); or (h) bound by, or responsible for, any other term or provision of the Lease which is personal to the Borrower or which may not reasonably be performed by Purchaser or its successors and assigns in the ordinary course of business. Regardless of anything in the Lease or this Agreement to the contrary, in acquiring the interest of Borrower as a result of such action or proceeding, Purchaser shall not have any obligation or liability beyond its interest in the Property. Lessee shall look exclusively to Purchaser's interest in the Property for payment and discharge of any of Purchaser's obligations under this Agreement or under the Lease. Lessee shall not collect or attempt to collect any judgment based upon such obligations out of any other assets of Purchaser. In addition, upon any sale or transfer of its interest in the Property, Purchaser shall have no further obligation under the Agreement or the Lease with respect to matters occurring after such sale or transfer. By executing this Agreement, Borrower specifically acknowledges and agrees that nothing contained in this Section shall impair, affect, lessen, abrogate or otherwise modify the obligations of Borrower to Lessee under the Lease.

7. No Assumption. Notwithstanding any other provisions contained in this Agreement, Lender does not assume any responsibility or liability for any acts or conduct by any other person, including, but not limited to, a purchaser at foreclosure or trustee's sale or grantee under deed in lieu of foreclosure.

8. Notices. Whenever and wherever in this Agreement, the Lease, or in any proceeding involving the foreclosure or attempt to foreclose pursuant to the Deed of Trust it shall be required or permitted that a notice or demand be given, such notice or demand shall be in writing and be deemed to have been given or served upon receipt or refusal of receipt after being mailed, postage prepaid, by certified, registered, or express mail, return receipt requested, or when delivered in person to the appropriate address set forth above or to such other address as may be hereafter designated by any party thirty (30) days in advance by proper notice to the other.

9. Amendments. No amendment or modification of this Agreement shall be valid or binding unless in writing, signed by the party or parties to be bound thereby.

10. No Merger. Borrower, Lessee and Lender agree that unless Lender shall otherwise consent in writing, Borrower's estate in and to the Property and the leasehold estate created by the Lease shall not merge, but shall remain separate and distinct, notwithstanding the union of such estates either in Borrower or Lessee or any third party by purchase, assignment or otherwise.

11. Further Certificates. Within ten (10) days after Lender's request, Lessee shall deliver to Lender and to any person designated by Lender, estoppel certificates executed by Lessee, certifying (if such is the case) that the Lease is in full force and effect, that there are no defenses or offsets outstanding under the Lease (or stating those claimed by Lessee, as the case may be) and such other information about Lessee or the Lease as Lender may reasonably request.

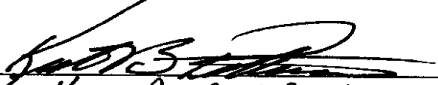
12. Severability; Choice of Law. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall, at the option of the Lender, not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. This Agreement shall be governed by and construed according to the internal law of the State of Utah.

13. Successors. This Agreement shall bind and inure to the benefit of the parties and their respective successors and assigns.

14. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same document. Signature pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one document.

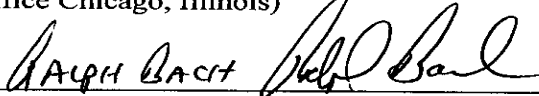
IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

PETERSEN MOTOR CO., INC.,
a Utah corporation

By: 
Name: KENT B. PETERSEN
Title: PRESIDENT

"Lessee"


BANK ONE, NA, a national banking association
(main office Chicago, Illinois)

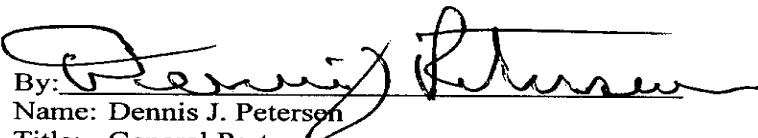
By: 
Name: RALPH BACHT
Title: VICE PRESIDENT

"Lender"

Acknowledged and agreed to by Borrower:

PETERSEN INVESTMENT, II, a Utah general partnership

By: 
Name: Kent B. Petersen
Title: General Partner

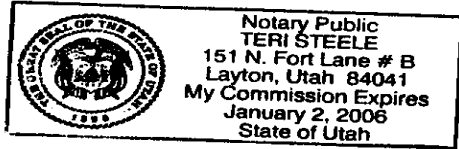
By: 
Name: Dennis J. Peterson
Title: General Partner

"Borrower"

STATE OF UTAH)
County of WEBER) ss.

The foregoing instrument was acknowledged before me this 27th day of February, 2002, by KENT B. PETERSEN, the PRESIDENT of Petersen Motor Co., Inc., a Utah corporation, on behalf of the corporation.

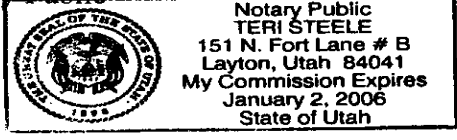
Teri Steele
Notary Public



STATE OF ARIZONA)
County of MARICOPA) ss.

The foregoing instrument was acknowledged before me this 27th day of February, 2002, by RAUPH BACH, a VICE PRESIDENT of Bank One, NA, a national banking association, on behalf of the association.

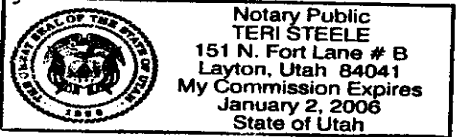
Teri Steele
Notary Public



STATE OF UTAH)
County of WEBER) ss.

The foregoing instrument was acknowledged before me this 27th day of February, 2002, by Kent B. Petersen, a General Partner of Petersen Investment, II, a Utah general partnership, on behalf of the general partnership.

Teri Steele
Notary Public



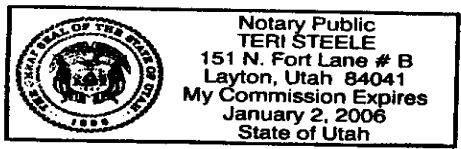
ET 1830965 BK2213 P62301

STATE OF UTAH)
County of WEBER) ss.

The foregoing instrument was acknowledged before me this 27th day of February, 2002, by Dennis J. Petersen, a General Partner of Petersen Investment, II, a Utah general partnership, on behalf of the general partnership



Notary Public



E# 1830965 BK2213 PG2302

EXHIBIT "A"

900 West Riverdale Road
Ogden/Riverdale, Utah 84405

PARCEL 1: 06-016-0001

PART OF THE SOUTHWEST QUARTER OF SECTION 7, TOWNSHIP 5 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, U.S. SURVEY: BEGINNING ON THE NORTH LINE OF RIVERDALE ROAD, SAID POINT BEING 26.95 FEET SOUTH $0^{\circ}18'31''$ WEST AND 1168.00 FEET NORTH $64^{\circ}15'$ EAST ALONG THE NORTH LINE OF RIVERDALE ROAD FROM THE SOUTHWEST CORNER OF SAID SECTION 7, SAID POINT ALSO BEING ON THE SOUTHEAST CORNER OF THE PROPERTY CONVEYED TO C.C. PINGREE BY WARRANTY DEED IN BOOK 402 OF RECORDS, PAGE 507; RUNNING THENCE NORTH $64^{\circ}15'$ EAST 438.65 FEET ALONG THE NORTH LINE OF RIVERDALE ROAD TO THE WEST LINE OF 900 WEST STREET; THENCE TWO COURSES ALONG SAID WEST LINE AS FOLLOWS: NORTH $0^{\circ}38'20''$ EAST 340.34 FEET; AND NORTH $2^{\circ}33'12''$ EAST 264.69 FEET TO THE SOUTH LINE OF AN EXISTING STREET, BEING 4600 SOUTH STREET; THENCE NORTH $89^{\circ}22'30''$ WEST 378.40 FEET ALONG SAID SOUTH LINE OF SAID EXISTING STREET, BEING 4600 SOUTH STREET; THENCE SOUTH $0^{\circ}44'15''$ WEST 646.45 FEET; THENCE NORTH $89^{\circ}32'$ WEST 22.74 FEET; THENCE SOUTH $0^{\circ}28'$ WEST 153.23 FEET TO THE POINT OF BEGINNING.

PARCEL 2: 06-016-0029

PART OF THE SOUTHWEST QUARTER OF SECTION 7, TOWNSHIP 5 NORTH, RANGE 1 WEST, SALT LAKE MERIDIAN, U.S. SURVEY: BEGINNING AT A POINT ON THE NORTH LINE OF STATE ROAD (RIVERDALE ROAD) 27.20 FEET SOUTH $0^{\circ}20'$ WEST (26.95 FEET SOUTH $0^{\circ}19'57''$ WEST ALONG THE SECTION LINE) AND NORTH $64^{\circ}15'$ EAST (NORTH $64^{\circ}16'49''$ EAST ALONG THE NORTH LINE OF RIVERDALE ROAD) 912.70 FEET AND NORTH $2^{\circ}25'$ WEST 389.05 FEET FROM THE SOUTHWEST CORNER OF SAID SOUTHWEST QUARTER SECTION; THENCE NORTH $10^{\circ}13'09''$ EAST 26.34 FEET TO THE SOUTHWEST CORNER OF A METAL BUILDING, AND THENCE NORTH $0^{\circ}28'12''$ EAST 169.05 FEET ALONG THE WEST WALL OF SAID METAL BUILDING AND THE EXTENSION OF SAID WEST WALL; THENCE NORTH $53^{\circ}26'14''$ EAST 116.80 FEET; THENCE SOUTH $89^{\circ}15'45''$ EAST 175.53 FEET TO THE WEST PROPERTY LINE OF PETERSON INVESTMENT II; THENCE (3) THREE COURSES ALONG SAID WEST LINE AS FOLLOWS: SOUTH $0^{\circ}44'15''$ WEST 387.18 FEET, NORTH $89^{\circ}32'$ WEST 22.74 FEET; THENCE NORTH 4.85 FEET; THENCE NORTH $64^{\circ}30''$ WEST 273.97 FEET TO BEGINNING.

PARCEL 3: 06-016-0033

PART OF THE SOUTHWEST QUARTER OF SECTION 7, TOWNSHIP 5 NORTH, RANGE 1 WEST, SALT LAKE MERIDIAN, U.S. SURVEY: BEGINNING AT A POINT ON THE NORTH LINE OF THE STATE ROAD 19.05 FEET SOUTH $20'$ (26.95 FEET SOUTH $0^{\circ}19'59''$ WEST ALONG THE SECTION LINE) WEST AND 912.7 FEET NORTH $64^{\circ}15'$ EAST FROM THE SOUTHWEST CORNER OF SAID QUARTER SECTION; RUNNING THENCE NORTH $2^{\circ}25'$ WEST 389.05 FEET, MORE OR LESS, TO AN OLD FENCE LINE; THENCE SOUTH $64^{\circ}39'$ EAST 273.87 FEET; THENCE SOUTH $0^{\circ}28'$ WEST 153.23 FEET TO THE NORTH LINE OF SAID ROAD; THENCE SOUTH $64^{\circ}15'$ WEST 255.3 FEET TO THE POINT OF BEGINNING.

± 1830965 BK2213 P62303