



WHEN RECORDED, RETURN TO:

Nicole C. Evans
Ballard Spahr LLP
201 South Main Street, Suite 800
Salt Lake City, UT 84111-2221

E# 2868238 PG 1 OF 9
Leann H. Kiltz, WEBER COUNTY RECORDER
17-Jul-17 0247 PM FEE \$26.00 DEP DAC
REC FOR: METRO NATIONAL TITLE
ELECTRONICALLY RECORDED

Loan No. 776894802
55879MNT

Tax Parcel No. 22-006-0033
22-017-6011 *CUU*

ASSIGNMENT OF LESSOR'S INTEREST IN LEASES

THIS ASSIGNMENT OF LESSOR'S INTEREST IN LEASES (the "Assignment"), is made and entered effective as of the 23rd day of June, 2017, by THE BRIDGES HOLDING COMPANY, LLC, a Utah limited liability company ("Borrower"), and WCU, LLC, DBA WOLF CREEK UTAH LLC, a Utah limited liability company ("WCU"), in favor of AMERICA FIRST FEDERAL CREDIT UNION ("Lender").

DS

RECITALS:

A. Borrower owns that certain real property located in Weber County, Utah (the "Bridges Property"), as more particularly described on Exhibit "A-1" attached to and incorporated in this Assignment by reference.

B. WCU, an affiliate of and under common control with Borrower, owns that certain real property located in Weber County, Utah (the "WCU Property"; and together with the Bridges Property, collectively, the "Property"), as more particularly described on Exhibit "A-2" attached to and incorporated in this Assignment by reference.

C. Borrower applied to Lender for a loan (the "Loan") in the maximum principal amount of THREE MILLION ONE HUNDRED THIRTY THOUSAND FORTY-FIVE AND 00/100 DOLLARS (\$3,130,045.00).

D. The proceeds of the Loan will be used by Borrower as development financing for improvements constructed or to be constructed on the Property.

E. Lender requires, as a condition precedent to making the Loan, that Borrower and WCU assign to Lender, as additional security for the Loan and for any other obligation and indebtedness of Borrower to Lender, whether presently existing or incurred in the future, all right, title and interest of Borrower and WCU in and to any and all leases now or hereafter affecting all or any portion of the Property, and the rents, income and profits derived or to be derived therefrom.

NOW, THEREFORE, in consideration of Lender making the Loan to Borrower, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Borrower, WCU and Lender agree as follows:

1. Assignment. Borrower and WCU, as applicable, hereby grant, transfer, set over and assign to Lender all right, title and interest of Borrower and WCU, as applicable, in and to any and all leases now or hereafter affecting Borrower's or WCU's interest in the Property or any portion thereof (such leases and any and all other leases that Borrower or WCU, as lessor, has previously entered into or

may enter into from time to time after the date hereof, affecting all or a portion of the Property, are collectively referred to herein as the "Leases"). In addition, Borrower and WCU hereby assign to Lender:

(a) All rents, income and profits arising from the Leases, and all renewals, modifications and extensions thereof, whether present or future and whether affecting all or a portion of the Property;

(b) All cleaning, security and other deposits and any prepaid rent held or received by Borrower or WCU from tenants pursuant to or under the terms of any of the Leases;

(c) All right, power and authority of Borrower or WCU to alter, modify or change the terms of the Leases or to surrender, cancel or terminate the same without the prior consent of Borrower or WCU, as applicable; and

(d) All rights of Borrower or WCU, as applicable, under any guaranties made by third-parties with respect to the Leases, including, but not limited to, the right to enforce and receive payment under such guaranties.

2. Obligations Secured. This Assignment is given for the purpose of securing the following obligations of Borrower:

(a) The payment of the indebtedness evidenced by the second Development Loan Promissory Note dated the same date as this Assignment (the "Note") in the maximum principal amount of TWO MILLION NINE HUNDRED NINETY-FIVE THOUSAND AND 00/100 DOLLARS (\$2,995,000.00) executed by Borrower, as maker, and payable to the order of Lender, as payee, and all extensions, renewals and modifications thereof. The Note is secured, in part, by a second position Development Loan Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing of even date herewith (the "Deed of Trust") encumbering the Property.

(b) The payment of all other sums, with interest thereon, becoming due and payable to Lender under the provisions hereof or under the provisions of the Note or the Deed of Trust.

(c) The performance and discharge of each and every obligation, covenant and agreement of Borrower herein and in the Note and the Deed of Trust.

3. Representations and Covenants of Borrower. Borrower hereby represents to and covenants with Lender as follows:

(a) Borrower shall observe and perform all of the obligations imposed upon the lessor in the Leases and shall not do or permit to be done anything to impair the security thereof;

(b) Any existing Leases are valid and, except as disclosed by Borrower to Lender in writing, enforceable and the lessees thereunder are not in default under any of the terms thereof;

(c) If requested by Lender, Borrower shall obtain and deliver to Lender, as soon as reasonably possible after such request, tenant estoppel certificates pertaining to all then-

existing Leases, duly executed and acknowledged by such tenants in form and substance acceptable to Lender;

(d) Except as previously disclosed to Lender in writing, no rent has been reserved, anticipated or assigned in any of the existing Leases, and no rent in any of the future Leases shall be reserved, anticipated or assigned to any person or entity other than Lender;

(e) Borrower shall not collect any of the rent, income and profits arising or accruing from the Leases in advance of the time when the same become due under the terms of the Leases, and shall not discount any future accruing rents;

(f) Borrower has made no prior assignment of any security or other interest in any of the Leases to any person or entity;

(g) Borrower shall not execute any other assignment of leases or assignment of rents of all or a portion of the Property unless the same shall recite that it is subject to the terms hereof;

(h) Borrower shall not alter, modify, or change the material terms of the Leases, or surrender, cancel or terminate the same without the prior consent of Lender, which consent shall not be unreasonably withheld;

(i) Borrower shall assign and transfer to Lender any and all further Leases and shall execute and deliver, at the request of Lender, all such further assurances and assignments of the Leases as Lender may from time to time reasonably require;

(j) Borrower possesses all requisite power and authority to enter into the Leases and to make the assignment of the Leases herein contained; and

(k) After the date of this Assignment, Borrower shall not enter into any new Lease affecting the Property except on a form approved by Lender and only after Lender, in Lender's discretion, has approved the form and content of the Lease and the lessee named in the Lease. Lender shall promptly receive a copy of each executed Lease.

4. Effect of Assignment. Borrower and WCU, as applicable, shall have the right to collect, when due, all rents, issues and profits from the Leases and to retain, use and enjoy the same so long as there is no default by Borrower under the Leases or in the payment of any indebtedness secured hereby or in the performance of any of the terms, covenants or conditions contained herein or in the Note, the Deed of Trust or any and all documents or instruments relating thereto (collectively the "Loan Documents"), or in the performance of any other terms, covenants or conditions of Borrower contained in any other promissory note, deed of trust or security agreement between Borrower and Lender.

5. Rights of Lender upon Default by Borrower. Upon or at any time after default in the payment of any indebtedness secured hereby or in the performance of any material term, covenant or condition contained herein or in the Loan Documents, or in the performance of any other material term, covenant or condition to be performed by Borrower or any guarantor contained in any of the Loan Documents, Lender, without in any way waiving such default, may, at Lender's option but without obligation to do so, enter upon the Property and have, hold, manage, lease and operate the Property on such terms and for such period of time as Lender may deem proper; provided, however, that Lender in no way shall be or be deemed to be a mortgagee-in-possession. In addition, Lender may collect and receive all rents, issues and profits of the Leases, and all cleaning, security and other deposits held by Borrower

under the terms of the Leases, with full power to make from time to time all alterations, renovations, repairs or replacements thereto as may be necessary to protect the interests of Lender with respect to the Leases. In furtherance of the foregoing, Lender may apply such rents, issues and profits to the payment of the following:

(a) The cost of all such alterations, renovations, repairs, replacements and expenses incident to taking and retaining possession of the Property and the management and operation thereof, and keeping the same properly insured;

(b) All taxes, charges, claims, assessments, water rents and any other liens which may be prior to the lien of the Deed of Trust or have priority of payment over the Note, and to premiums for insurance, with interest on all such items; and

(c) The indebtedness secured hereby together with all costs and attorneys' fees, in such order of priority as to any of such items, as Lender in Lender's sole discretion may determine, subject, however, to any statutory rights of Borrower with respect to such applications.

6. Reinstatement after Default. If Lender, upon any default or breach by Borrower hereunder, shall exercise Lender's option herein and if such default or breach shall be remedied and all necessary charges and expenses incurred by reason thereof paid, then Lender and Borrower shall each be restored to and reinstated in their respective rights and estates as if a default or breach had not occurred. Borrower shall thereupon hold the Property subject to the Deed of Trust and this Assignment as if Lender had not exercised any option hereunder. Nothing contained in this Assignment shall impair any right of Lender to exercise Lender's remedies upon any subsequent breach or require Lender to refund to Borrower any rents, issues or profits of the Leases collected or received by Lender during any period of default.

7. Indemnification. Lender shall not be obligated to perform or discharge, nor does Lender hereby undertake to perform or discharge, any obligation, duty or liability under the Leases, or under or by reason of this Assignment, and Borrower shall and does hereby agree to indemnify Lender for and to hold Lender harmless of and from any and all liability, loss or damage which Lender may or might incur under the Leases or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligations or undertakings on Lender's part to perform or discharge any of the terms, covenants or conditions contained in the Leases. Lender and Borrower agree to cooperate in the defense of all such claims and demands. Should Lender incur any such liability, loss or damage under the Leases or under or by reason of this Assignment, or in the defense of any such claims or demands, the amount thereof, including cost, expenses and reasonable attorney fees, shall be secured hereby, and Borrower shall reimburse Lender therefor immediately upon demand, and upon the failure of Borrower so to do Lender may declare all sums secured hereby immediately due and payable.

8. Termination of Assignment. Upon the payment in full of all indebtedness secured hereby evidenced by a deed of reconveyance of the trust estate granted by the Deed of Trust, this Assignment shall become and be void and of no effect, but the affidavit, certificate, letter or statement of any officer, supervisor or attorney of Lender showing any part of the indebtedness to remain unpaid shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this Assignment, and any person may and is hereby authorized to rely thereon. A demand on any lessee by Lender for the payment of the rent on any default claimed by Lender shall be sufficient notice to such lessee to make future payments of rent to Lender without the necessity for further consent by Borrower or WCU.

9. Releases and Extensions. Lender may take or release other security, may release any party primarily or secondarily liable for any indebtedness secured hereby, may grant extensions, renewals or indulgences with respect to such indebtedness, and may apply any other security therefor held by Lender to the satisfaction of such indebtedness without prejudice to any of Lender's rights hereunder.

10. Interpretation. The term "Leases" as used herein means the Leases hereby assigned or any extension, renewal or modification thereof or any amendment or supplement thereto, and any leases subsequently executed by Borrower or WCU covering all or a portion of the Property, in each in case in accordance with the terms and provisions of this Assignment and of the other Loan Documents. The captions which precede the paragraphs of this Assignment are for convenience only and shall in no way affect the manner in which any provision hereof is construed. In this Assignment, whenever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural, and conversely. All obligations of Borrower hereunder are joint and several.

11. Notices. Except as otherwise provided in this Assignment or in any other document evidencing or securing the Loan, whenever Lender, WCU or Borrower desire to give or serve any notice, demand, request or other communication with respect to this Assignment or any such other document, each such notice shall be in writing and shall be effective only if the notice is delivered by personal service, by nationally-recognized overnight courier, or by mail, postage prepaid, addressed as follows:

If to Lender, to:	America First Federal Credit Union 4646 South 1500 West, Suite 130 Riverdale, Utah 84405 Attn: Commercial Real Estate Department
If to Borrower, to:	The Bridges Holding Company, LLC 3718 Wolf Creek Drive Eden, Utah 84010 Attn: John Lewis
If to WCU, to:	WCU, LLC, dba Wolf Creek Utah LLC 3718 Wolf Creek Drive Eden, Utah 84010 Attn: John Lewis

Any notice delivered personally or by courier shall be deemed to have been given when delivered. Any notice sent by mail shall be presumed to have been received five (5) business days after deposit in the United States mail, with postage prepaid and properly addressed. Any party may change its address by giving notice to the other party of its new address in the manner provided above.

12. Miscellaneous. Nothing herein contained and no act done or omitted by Lender pursuant to the powers and rights granted Lender herein shall be deemed to be a waiver by Lender of Lender's rights and remedies under the Loan Documents or under any other promissory note, deed of trust or security agreement evidencing and securing any other obligations of Borrower to Lender. The right of Lender to collect the indebtedness and to enforce any other security therefor owned by Lender may be exercised by Lender either prior to, simultaneously with, or subsequent to any action taken by Lender hereunder. This Assignment inures to the benefit of Lender and any holder of the Note or the Deed of Trust, and is binding upon Borrower and Borrower's successors and assigns. This Assignment may be executed in any number of counterparts each of which when so executed and delivered shall be deemed an original, but all such counterparts taken together shall constitute only one instrument. This

Assignment shall be construed in accordance with the laws of the State of Utah, and venue for any action relating to this Assignment shall be in Weber County, Utah.

[signature page follows]

EXHIBIT "A-1"

BRIDGES PROPERTY DESCRIPTION

The following described real property is located in Weber County, Utah:

Part of the Southwest Quarter of Section 15, Township 7 North, Range 1 East, Salt Lake Base and Meridian, U.S. Survey, more particularly described as follows: Beginning at the Southwest corner of said Section 15; running thence North 2640 feet, more or less, to the West quarter corner of said Section 15; thence East 1485 feet along the quarter Section line; thence South 2640 feet, more or less parallel to the West line of said Section 15 to a point on the South line of Section 15; thence West 1485 feet to the point of beginning.

LESS AND EXCEPTING that portion conveyed to Wolf Creek Water & SID by Special Warranty Deed recorded February 3, 2011 as Entry No. 2514194 of Official Records described as follows: That portion of the Southwest quarter of Section 15, Township 7 North, Range 1 East, Salt Lake Base & Meridian, located in the County of Weber, State of Utah, described as follows: A circular parcel of land having a radius of 100.00 feet and a center point located South 89°12'43" East 1272.43 feet along the Southerly line of said Section 15 and North 00°00'00" East 1938.50 feet from the Southwest corner of said Section 15.

EXCEPTING THEREFROM that portion conveyed to Wolf Creek Water & SID by Special Warranty Deed recorded February 3, 2011 as Entry No. 2514195 of Official Records described as follows: That portion of the Southwest Quarter of Section 15, Township 7 North, Range 1 East, Salt Lake Base & Meridian, located in the County of Weber, State of Utah, described as follows: A circular parcel of land having a radius of 63.00 feet and a center point located South 89°12'43" East 1410.68 feet along the Southerly line of said Section 15 and North 00°00'00" East 1377.81 feet from the Southwest corner of said Section 15.

EXHIBIT "A-2"

WCU PROPERTY DESCRIPTION

The following described real property is located in Weber County, Utah:

Beginning at Northwest corner of Section 22, Township 7 North, Range 1 East, Salt Lake Base and Meridian (basis of bearing South 00°20'47" West 2678.81 feet between said Northwest corner and the West Quarter corner of said Section 22); and running thence South 89°12'25" East 1772.48 feet along the North line of said Section 22 to a non-tangent point of curvature of 390.00 foot radius curve to the left, the center of which bears South 00°47'35" West; thence Southwesterly 221.40 feet along the arc of said curve through a central angle of 32°31'33"; thence South 58°16'02" West 508.21 feet to a point of curvature of 560.00 foot radius curve to the right, the center of which bears North 31°43'58" West; thence Westerly along the arc of said curve 330.58 feet through a central angle of 33°49'21"; thence North 87°54'37" West 302.48 feet to a point of curvature of 1540.00 foot radius curve to the left, the center of which bears South 02°05'23" West; thence Westerly along the arc of said curve 522.38 feet through a central angle of 19°26'07" to the West line of said Section 22; thence North 00°20'47" East 491.43 feet along said West line to the point of beginning.