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## LANDLORD CONSENT AND SUBORDINATION AGREEMENT

WHEREAS, UNIVERSITY MALL SHOPPING CENTER, a Utah limited liability company (hereinafter called "Owner") is the owner of certain premises known as Space M-207 located in the University Mall Shopping Center situated in the City of Orem, County of Utah, State of Utah (hereinafter called "Premises"); and

WHEREAS, SCHURING ENTERPRISES L.L.C., a Utah limited liability company (hereinafter "Tenant") is the Tenant in possession of such Premises by virtue of a written Lease Agreement with Owner dated September 5, 2003 (and Owner approved assignments thereof, if any) (the "Lease"); and

WHEREAS, ZIONS FIRST NATIONAL BANK (hereinafter "Lender") has financed or is willing to finance or lease to Tenant certain equipment, trade fixtures, inventory and/or other personal property herein referenced to as "Tenant's Personal Property", to be used on the premises, on condition that Owner subordinate its lien, claim or right to such "Tenant's Personal Property" to the rights of Lender; and

WHEREAS, Tenant desires Owner to execute this Agreement.

NOW, THEREFORE, in consideration of the mutual and reciprocal covenant of Owner and Lender, it is agreed as follows:

1. Tenant hereby requests Owner to execute this Agreement to accommodate "Tenant".
2. Tenant's Personal Property is more particularly described as follows:  

All Machinery and Equipment
3. Owner hereby subordinates its rights, title and interest in and to the Tenant's Personal Property, as located from time to time on the Premises, to the right, title and interest of Lender in and to such Tenant's Personal Property.
4. In case Lender rightfully chooses to repossess or take possession and remove Tenant's Personal Property from the Premises by virtue of Tenant's default on its obligation to Lender, Lender shall serve written notice upon Owner specifying the nature of the default and amount of Lender's claim. Unless Owner elects within seven (7) days after receipt of such notice to pay off Lender and receive an assignment of Lender's claim, Lender may enter upon said Premises during normal business hours and lawfully remove such Tenant's Personal Property free and clear of Owner's claim or lien, provided that this subordination shall not apply to items which are so integrated as to become elements of the building, which "elements" shall

ENT 190199:2003 PG 1 of 7  
RANDALL A. COVINGTON  
UTAH COUNTY RECORDER  
2003 Dec 02 4:02 pm FEE 44.00 BY SM  
RECORDED FOR UNITED TITLE SERVICES



include, but not be limited to such elements as storefronts, security grills, doorways, partitions, plumbing, heating and air conditioning equipment, sprinkler systems, basic electrical systems, ceramic tile, wall coverings on buildings, walls and painting.

5. Lender hereby agrees to indemnify Owner from the following:
- a. All claims of Tenant as to alleged "wrongful removal".
  - b. Damages to the Premises or other property of Owner caused by or resulting from the removal of such Tenant's Personal Property.
6. In case of default by any party in the performance of this Agreement, defaulting party shall pay all costs incurred in enforcing this Agreement, or any right arising out of the breach thereof, whether by suit or otherwise, including reasonable attorneys' fees.
7. This Subordination Agreement shall be construed in accordance with the laws of the State of Utah.

IN WITNESS WHEREOF, we have caused this Agreement to be executed this 24 day of November 2003.

(NOTE: If there are Assignors with retained rights, or Guarantors with retained rights on the Lease, this Agreement is conditioned upon approval by such Assignors and Guarantors as evidenced by their signatures hereon or approvals attached hereto.)

OWNER:

UNIVERSITY MALL SHOPPING CENTER, L.C., a Utah limited liability company

By: WOODBURY MANAGEMENT CO., L.C., its Manager

By: Wallace R. Woodbury  
Wallace R. Woodbury, Manager

By: Orin R. Woodbury  
Orin R. Woodbury, Manager

**ACCOMMODATION RECORDING**  
This document is being recorded as a courtesy only. United Title Services assumes no liability or responsibility for the filing of this document, the accuracy of this document or the legal effects thereof.



TENANT:

SCHURING ENTERPRISES, L.L.C., a Utah limited liability company ||| ENT 190199:2003 PG 3 of 7

By: Joseph R. Schuring  
Joseph Russell Schuring, Its: \_\_\_\_\_

By: Steph LeAnn Schuring  
Stephane LeAnn Schuring, Its: \_\_\_\_\_

LENDER:

ZIONS FIRST NATIONAL BANK

By: J. Rosea Carmo  
Authorized Officer

**APPROVAL OF SUBORDINATION**

The following individual(s), as assignors and/or guarantors under the Lease hereby grant their approval to the foregoing Subordination Agreement.

GUARANTORS:

John Enoch Hansen  
John Enoch Hansen, an individual  
SSN: 529-48-7149

Joseph R. Schuring  
Joseph Russell Schuring, an individual  
SSN: 528-43-7136

Steph LeAnn Schuring  
Stephanie LeAnn Schuring, an individual  
SSN: 528-75-8087

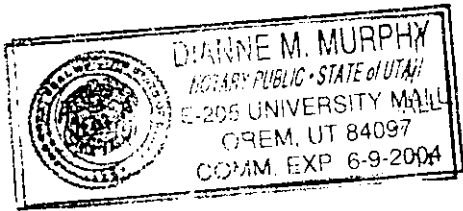


PARTNERSHIP ACKNOWLEDGMENT

STATE OF UTAH )  
 : ss.  
COUNTY OF SALT LAKE )

ENT 190199:2003 PG 4 of 7 !!!

On this 24 day of November, 2003, before me personally appeared WALLACE R. WOODBURY and ORIN R. WOODBURY to me personally known who, being by me duly sworn, did each for himself say that he is a Manager of Woodbury Management Co., L.C., the manager for that certain limited liability company known as UNIVERSITY MALL SHOPPING CENTER, L.C., and that the within instrument was executed by them, for and on behalf of said partnership.



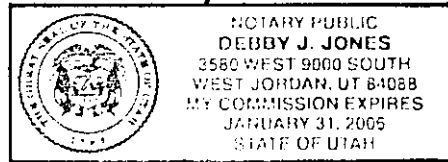
Dianne M. Murphy  
Notary Public

ACKNOWLEDGMENT OF TENANT  
(L.L.C.)

STATE OF UTAH )  
 : ss.  
COUNTY OF SALT LAKE

On this 20 day of Nov, 2003 before me personally appeared JOSEPH RUSSELL and STEPHANIE LEANN SCHURING, to me personally known to be the Owner and manager of SCHURING ENTERPRISES LLC, the company that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of said company therein named, and acknowledged to me that such company executed the within instrument pursuant to its articles of organization.

Debby J. Jones  
Notary Public



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PLEASE INITIAL  
WR  
RS

ACKNOWLEDGMENT OF LENDER  
(Corporate)

ENT 190199:2003 PG 5 of 7

STATE OF Utah )

: ss.

COUNTY OF Salt Lake )

On this 13<sup>th</sup> day of Nov, 2003, before me personally appeared J. Rosen-Carone who being duly sworn did say that he/she is the Loan Officer of ZIONS FIRST NATIONAL BANK, the corporation that executed the above and foregoing instrument, and that said instrument was signed in behalf of said corporation by authority of a resolution of its Board of Directors. MONICA K WILLIAMS acknowledged to me that said corporation executed the same.



Monica K Williams  
Notary Public

ACKNOWLEDGMENT OF GRANTOR(S)

STATE OF Utah )

: ss.

COUNTY OF Salt Lake )

On this 20 day of Nov, 2003, before me personally appeared JOSEPH RUSSELL SCHURING, who upon being duly sworn, did acknowledge to me that he executed the within instrument.

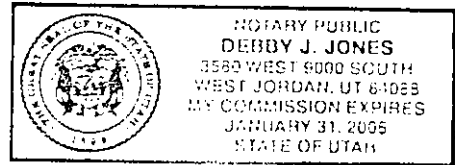
Debby J Jones  
Notary Public

ACKNOWLEDGMENT OF GRANTOR(S)

STATE OF Utah )

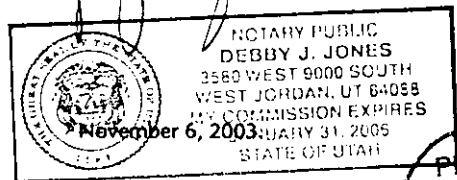
: ss.

COUNTY OF Salt Lake )



On this 20 day of Nov, 2003, before me personally appeared STEPHANIE LEANN SCHURING, who upon being duly sworn, did acknowledge to me that she executed the within instrument.

Debby J Jones  
Notary Public



PLEASE INITIALS  
[Handwritten initials]

ACKNOWLEDGMENT OF GRANTOR(S)

STATE OF Utah )  
COUNTY OF Salt Lake )  
:SS.

ENT 190199:2003 PG 6 of 7 !!!

On this 20 day of Nov, 2003, before me personally appeared JOHN ENOCH HANSEN, who upon being duly sworn, did acknowledge to me that he executed the within instrument.

Debby J Jones  
Notary Public

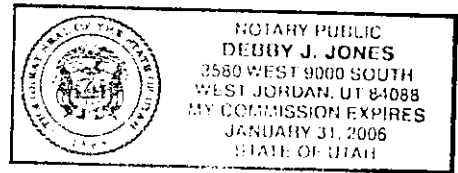


EXHIBIT "A"  
University Mall Shopping Center  
LEGAL DESCRIPTION

ENT 190199:2003 PG 7 of 7

The following described property in Orem City, State of Utah, to-wit:

All of lots 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15, UNIVERSITY MALL SUBDIVISION, PLAT A, (being part of the Southeast and Southwest Quarters of Section 23 and the Northeast Quarter of Section 26, Township 6 South, Range 2 East, Salt Lake Base and Meridian) as recorded at the office of Utah County Recorder on March 1, 2001 as entry number 19427. Containing approximately 77.418 acres (3,372,328 square feet)

SUBJECT TO and TOGETHER WITH Easements for utilities, rights-of-way and parking as set forth in documents of record

For informational purposes, the following are the descriptions of the Department Store parcels:

Meier & Frank Parcel: All of Lot 3 of said Subdivision containing approximately 12.745 acres. (555,177 square feet).

NORDSTROM Parcel: All of Lot 8 of said Subdivision containing approximately 7.243 acres (311,153 square feet).

MERVYN'S Parcel: All of Lot 13 of said Subdivision containing approximately 6.331 acres (275,783 square feet).

DEVELOPER Parcels include all of the above excepting said Lots 3, 8 and 13.

In addition, because of existence of certain Cross-easements, the following is a description of the COSTCO SHOPPING CENTER containing approximately 22.730 acres (990,125 square feet):

All of Lots 16, 17, 18, 19 and 1, of said UNIVERSITY MALL SUBDIVISION, PLAT A, as heretofore described; subject to and together with Easements for utilities, rights-of-way and parking.

The COSTCO DEPARTMENT STORE Parcel is described as: All of Lot 17, of said Subdivision containing approximately 13.201 acres (575,052 square feet).

DEVELOPER Parcels include all of Lots 1, 16, 18 and 19 of said Subdivision.