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1/31/2018 2:32:00 PM \$19.00  
Book - 10643 Pg - 4468-4472  
ADAM GARDINER  
Recorder, Salt Lake County, UT  
BACKMAN TITLE SERVICES  
BY: eCASH, DEPUTY - EF 5 P.

BTC: 5-099044  
WHEN RECORDED RETURN TO:  
Mountain West Small Business Finance  
2595 East 3300 South  
Salt Lake City, Utah 84109  
Tax ID: 15-36-351-016

Lease

1. **The Parties and The Property:**

GERDTS HOLDINGS LLC, a Utah limited liability company

hereinafter referred to as "Lessor", hereby leases to:

UNITED AUTO BODY & PAINT INC

hereinafter referred to as "Lessee", all those premises and personal property described in SBA Loan Authorization, SBA 504 No. 89532650-05 situate, lying and being in Salt Lake County, State of Utah, commonly known as:

3950 South 500 West, Millcreek, UT 84123

and more particularly described in Exhibit "A" which is attached hereto and incorporated herein by this reference (the "Property").

2. **The Term.** TO HAVE AND TO HOLD the Property, together with the appurtenances, unto the Lessee for a term of approximately twenty (20) years commencing

January 3, 2018, for and during the latest of

January 3, 2038 or until the SBA 504 Loan under SBA Loan Authorization No.

89532650-05 is paid in full.

3. **The Lease Payment.** Lessee covenants and agrees to pay Lessor a lease payment in the sum of \$ 8,000.00 on the first day of each month during the term of this Lease provided, however, that the amount of rent paid must be substantially the same as the debt service on the Third Party Lender Loan and the SBA 504 Loan together with an amount necessary to cover taxes and assessments, utilities and insurance and a repair/replacement reserve. The lease payment shall be reduced to the extent that it is in excess of the amount needed to meet the debt service and expenses. In the event there is more than one operating company under the terms of the SBA Loan, the lease payments of all operating companies shall be considered together and shall be reduced, pro rata, in the event, when considered together, they are in excess of amount needed to meet the debt service and expenses above described.

4. **The Return of the Property.** Lessee further agrees to deliver up to Lessor at the expiration of said term in as good order and condition as when the same were entered upon by Lessee, reasonable use and wear thereof and damage by the elements excepted.

5. **No Sublease or Assignment.** The Lessee will not let, underlet, assign the Property, or any part thereof, without the prior written consent of Lessor, which consent will not be unreasonably withheld.

6. **Default/Remedies.** And Lessee further covenants and agrees that if any monthly lease payment or any part thereof shall be unpaid for 20 days after the same shall become due; or if default in any of the covenants herein contained to be kept by Lessee is not cured within 20 days from written notice, or if Lessee shall vacate such premises, Lessor may elect, without notice or legal process, to re-enter and take possession of the Property and every and any part thereof and re-let the same and apply the net proceeds so received upon the amount due or to become due under this lease, and Lessee agrees to pay any deficiency.

7. **Utilities, Taxes and Insurance.** Responsibility for utilities, taxes and insurance shall be as indicated [Lessee responsible for (T), Lessor responsible for (L)]:

Power T, Heat T, Water T, Sewer T, Telephone T, Real Property  
Tax T, Personal Property Tax T, Fire Insurance on Personal Property  
T, Glass Insurance T, Others:  
None

8. **Maintenance and Repair.** Responsibility for the maintenance and repair of the Property shall be as indicated [Lessee responsible for (T), Lessor responsible for (L)]:

Roof L, Exterior Walls L, Interior Walls L, Structural Repair L,  
Interior Decorating T, Exterior Painting L, Yard Surfacing L, Plumb-  
ing Equipment L, Heating and Air Conditioning Equipment L, Electri-  
cal Equipment L, Light Globes and Tubes T, Glass Breakage T, Trash  
Removal T, Snow Removal T, Janitorial T, Others:  
None

9. **Negligence.** Each party shall be responsible for losses resulting from negligence or misconduct of himself, his employees or invitees.

10. **Lessor's Lien.** Furniture, furnishings and personal property of Lessee may not be removed from the premises until all lease payments and other charges are fully paid, and Lessor shall have a lien upon said personal property until the same are paid in full.

11. **Attorney's Fees and Collection Costs.** In case of failure to faithfully perform the terms and covenants herein set forth, the defaulting party shall pay all costs, expenses, and reasonable attorneys' fees resulting from the enforcement of this agreement or any right arising out of such breach.

12. **SBA Loan Requirements.** In consideration of SBA Loan  
No. 89532650-05, Lessor and Lessee agree as follows, anything to the contrary  
notwithstanding:

- (a) The term of this Lease shall be equal to or longer than the term of the said SBA Loan;
- (b) Lessor and Lessee hereby assign, set over, and transfer to the Small Business Administration and Mountain West Small Business Finance all of their right, title, and interest in and to this Lease, as security for said SBA Loan; and
- (c) Lessor and Lessee hereby agree to maintain exactly the present ownership (both


identity of owners and percent of ownership) during the entire term of said SBA Loan except for ownership changes of up to 5 per cent beginning six months after the SBA 504 Loan closes.

13. **No Other Agreements.** This agreement supercedes and replaces any and all previous lease agreements between the parties; and said previous lease agreements are hereby canceled by the mutual consent of the parties.

This Lease is executed and effective January 3, 2018.


LESSOR:

GERDTS HOLDINGS LLC

  
By: William J. Gerdts, Member

LESSEE:

UNITED AUTO BODY & PAINT INC

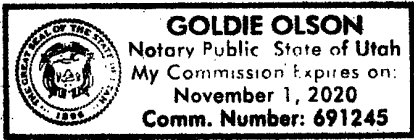
  
By: William J. Gerdts, President

LEASE NOTARY PAGE

STATE OF Utah )  
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COUNTY OF Salt Lake )

The foregoing instrument was acknowledged before me this 1/3/2018  
by William J. Gerdts, Member

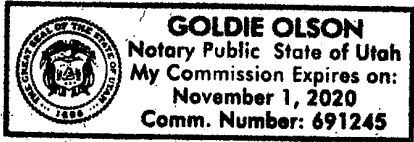
GERDTS HOLDINGS LLC  
[Signature]  
Notary Public



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

The foregoing instrument was acknowledged before me this 1/3/2018  
by William J. Gerdts, President

UNITED AUTO BODY & PAINT INC  
[Signature]  
Notary Public



Order No.: 5-099044

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

**PARCEL 1:**

The North 126 feet of the following described tract of land, said North 126 feet being the frontage on 500 West Street and measured perpendicular from the North line of the tract hereinafter described.

Beginning on the East line of Lot 3, Block 2, Section 36, Township 1 South, Range 1 West, Salt Lake Base and Meridian at a point South 0°09'30" East 365.65 feet from the Northeast corner of said Lot 3; and running thence South 0°09'30" East along said lot line 252.93 feet; thence North 89°03' West 534.93 feet; thence North 55°45' East 34.98 feet; thence North 34° East 130.02 feet; thence North 23°30' East 125.88 feet; thence North 89°50'30" East 382.22 feet to the point of beginning.

**PARCEL 1A:**

A perpetual and non-exclusive right of ingress and egress for vehicular and pedestrian traffic over the Easement Premises to inspect, maintain, repair and operate electrical equipment on the South wall of the building located on the Joy Property.

Beginning at a point South 0°09'30" East 524.34 feet and South 89°50'30" West 92.00 feet from the monument located at the intersection of 3900 South Street and 500 West Street, and running thence South 01°19'10" West 4.00 feet; thence South 89°50'46" West 21.05 feet; thence North 01°19'10" East 4.00 feet; thence North 89°50'46" East 21.05 feet to the point of beginning.

Parcel No.: 15-36-351-016