

WHEN RECORDED, RETURN TO:

Dan W. Egan
Ballard Spahr Andrews & Ingersoll, LLP
201 South Main Street, Suite 600
Salt Lake City, Utah 84111-2221

Tax Parcel No. 15-12-209-009

Loan No. 724765-3.1

ETA# 2199909

ASSUMPTION AGREEMENT

THIS ASSUMPTION AGREEMENT ("Agreement") is made and entered into effective as of the ^{23rd} day of JUNE, 2006, by and among AMERICA FIRST FEDERAL CREDIT UNION ("Lender"), BAILEY COURT, LLC, a Utah limited liability company ("Original Borrower"), JOHN A. GEZON, an individual ("New Borrower"), and WESLEY T. CORNELISON, JOHN J. BARNARD and LORA LYNN CROSBY MUNSON (collectively, the "Original Guarantors").

RECITALS:

A. Original Borrower, pursuant to the terms of a Term Loan Agreement, dated January 12, 2006, as the same has been subsequently amended (collectively, the "Loan Agreement"), obtained a loan from Lender (the "Loan") in the original principal amount of FIVE HUNDRED EIGHTY THOUSAND DOLLARS (\$580,000.00).

B. The Loan is secured, among other things, by a Term Loan Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing, dated January 12, 2006 (the "Deed of Trust") recorded against the real property located in Salt Lake County, Utah, more particularly described on Exhibit "A" attached to and incorporated in this Agreement by reference (the "Property"). The Deed of Trust was recorded January 20, 2006, as Entry Number 9615874 in the official records of Salt Lake County, Utah.

C. Original Borrower's obligations under the Loan are also guaranteed by the Original Guarantors.

D. New Borrower has acquired or is about to acquire title to the Property, and New Borrower has applied to Lender to permit New Borrower to assume the obligations of Original Borrower under the Loan.

E. Lender has approved the assumption of the Loan conditioned, in part, on the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Lender, Original Borrower, New Borrower and the Original Guarantors agree as follows:

1. Recitals. The recitals set forth above and the definitions contained therein are an integral part of the agreement and understanding of Lender, Original Borrower, New Borrower and the Original Guarantors and are incorporated into the body of this Agreement by reference.

TAX ID # 15-12-209-009

2. Definitions. In addition to the terms defined in the recitals to this Agreement, the following terms shall have the meanings given below:

(a) "Loan Documents" means the Loan Agreement, the Deed of Trust, the Guaranties, the Note, a Certificate and Indemnity Regarding Hazardous Substances, this Agreement, a Uniform Commercial Code Financing Statement, and all other instruments and documents evidencing or securing the Loan, as the same have been or may hereafter be amended, modified or replaced.

(b) "Note" means the Term Loan Promissory Note, dated January 12, 2006, in the original amount of FIVE HUNDRED EIGHTY THOUSAND DOLLARS (\$580,000.00), executed by Borrower, as maker, in favor of Lender, as payee, together with all subsequent modifications and amendments thereto.

3. Consent to Conveyance. Lender hereby consents to the transfer and conveyance of title to the Property to New Borrower, and to the assumption by New Borrower of all of Original Borrower's obligations, duties and responsibilities to Lender under the terms of the Loan Documents. Such transfer and conveyance shall not constitute a violation of, or permit Lender to exercise any remedies contained in, any of the Loan Documents.

4. Assumption. New Borrower hereby acknowledges to Lender that New Borrower has received, or concurrently with the recordation of this Agreement shall receive, a transfer and conveyance of title to the Property, and hereby expressly assumes all of Original Borrower's obligations to Lender under the Loan Documents. Such transfer and conveyance to New Borrower is made subject to the security interests of Lender granted under the terms of the Loan Documents. In addition, New Borrower hereby covenants with Lender that New Borrower shall duly and timely observe and perform all duties, responsibilities and obligations of Original Borrower under the Loan Documents, including, without limitation, the timely payment of principal and accrued interest under the terms of the Note. Each reference in the Loan Documents to Original Borrower shall hereafter apply to New Borrower to the same extent as if New Borrower was originally named in the Loan Documents.

5. Fee. Original Borrower shall pay to Lender concurrently with the execution of this Agreement an assumption fee relating to this transaction in the amount of THREE THOUSAND SEVEN HUNDRED DOLLARS (\$3,700.00).

6. Mutual Release of Lender and Original Borrower. Lender and Original Borrower hereby mutually release each other of and from all claims, duties, responsibilities, obligations and liabilities arising from or related to the origination, documentation or administration of the Loan.

7. Release of Original Guarantors. Concurrently with the execution of this Agreement, Lender and each of the Original Guarantors shall enter into a separate Release Agreement for each of the Original Guarantors. The Release of Guaranty documents shall contain a mutual release of Lender and each Original Guarantor.

8. Collateral. Lender, by entering into this Agreement, does not waive or release any claim to or interest in any real or personal property which, pursuant to any of the Loan Documents, has been encumbered or pledged as collateral for repayment of the Loan. Lender hereby expressly reserves all such rights and security interests.

9. Representations.

(a) Lender represents and warrants to New Borrower that, as of the date of this Agreement: (1) Lender is the owner and holder of the indebtedness evidenced and secured by the Loan Documents; and (2) Lender possesses all requisite power and authority to enter into this Agreement and to be bound by the terms hereof.

(b) Original Borrower represents and warrants to Lender, New Borrower and the Original Guarantors that prior to the execution of this Agreement, Original Borrower has not assigned or transferred to any individual or entity any of the rights or claims released in this Agreement.

(c) Original Borrower represents and warrants to Lender that Original Borrower possesses all requisite power and authority to enter into this Agreement, to be bound by the terms hereof, and that the individuals signing this Agreement on its behalf have been duly authorized to execute this Agreement.

(d) New Borrower represents and warrants to Lender that New Borrower possesses all requisite power and authority to enter into this Agreement, to assume the obligations of Original Borrower under the Loan Documents and to be bound by the terms thereof.

(e) The Original Guarantors each represent and warrant to Lender that, as of the effective date of this Agreement, none of them is aware of any violation of any duty, responsibility or obligation of Lender under or related to any of the Loan Documents, and that none of them has assigned or transferred to any individual or entity any of the rights or claims to be released by the Original Guarantors.

10. Submission Requirements. Except as provided below, New Borrower, shall submit to Lender the following items and documents on or before the effective date of this Agreement:

(a) As soon as practicable following the effective date of this Agreement, a replacement lender's policy of title insurance affecting the Property, showing: (1) that title is vested in New Borrower; and (2) any other changes to title since the date of issuance of the original lender's policy; and

(b) Evidence that New Borrower has obtained all policies of property, casualty and liability insurance required by Lender under the terms of the Loan Documents, and that Lender has been named as an additional insured under the applicable insurance policies.

11. No Further Assignments. Except as set forth in Paragraph 3 above, this Agreement shall not be interpreted or construed, nor is this Agreement intended, to constitute a waiver of the prohibition against transfer and conveyance contained in the Loan Documents.

12. Lender's Costs. New Borrower shall pay all of Lender's reasonable costs and expenses (including, without limitation, attorney fees) associated with the negotiation and preparation of this Agreement and any modification documents entered into in connection with this Agreement.

13. Miscellaneous. The following provisions are also an integral part of this Agreement:

(a) This Agreement shall be binding upon and shall inure to the benefit of Lender, Original Borrower, Borrower, the Original Guarantors and, as applicable, their respective heirs, personal representatives, successors and assigns.

(b) This Agreement may not be modified except by an instrument in writing, signed by the party or parties affected thereby.

(c) This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Utah, without giving effect to principles of conflicts of laws.

(d) Time is of the essence of this Agreement.

(e) Lender, Original Borrower, New Borrower and the Original Guarantors agree that in the event any action or court proceeding is brought by any of them to enforce the obligations under this Agreement, the prevailing party or parties shall be entitled to recover reasonable attorney fees, together with court and collection costs.

(f) This Agreement 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.

(g) The provisions of this Agreement are severable and should any provision of this Agreement be void, voidable or unenforceable, such void, voidable or unenforceable provision shall not affect any other portion or provision of this Agreement.

(h) The headings, titles and captions used in this Agreement are for reference and convenience only and shall not be deemed a part of this Agreement or be applied in interpreting the provisions of this Agreement.

(i) Any notice or communication provided for under this Agreement shall be given in writing and shall be delivered in person or mailed by certified mail, postage prepaid, and addressed to the following:

If to Lender, to: America First Federal Credit Union
4646 South 1550 West, Suite 130
Riverdale, Utah 84405
Attn: Business Services Department
Facsimile No.: (801) 778-8625

If to Original Borrower, to: Bailey Court, LLC
6550 South Millrock Drive, Suite 200
Holladay, Utah 84121
Facsimile No.: (801) 947-8301

If to New Borrower, to: John A. Gezon
3010 E. Middleton Way
Salt Lake City, Utah 84124
Facsimile No.: (801) _____

If to Original Guarantors, to: Lora Lynn Crosby Munson
4201 South Achilles Drive
Salt Lake City, Utah 84124
Facsimile No.: (801) 947-8301

John J. Barnard
1717 Yalecrest Avenue
Salt Lake City, Utah 84108
Facsimile No.: 801-355-3852

Wesley T. Cornelison
6550 South Millrock Drive, Suite 200
Salt Lake City, Utah 84121
Facsimile No.: 801-947-8301

John W. Milliken
329 West Pierpont, Suite 200
Salt Lake City, Utah 84101
Facsimile No.: (801) 359-7164

(j) The covenants, representations and warranties set forth in this Agreement shall survive the execution and delivery of this Agreement.

DATED effective as of the date first above written.

[Signatures appear on following pages.]

LENDER:

AMERICA FIRST FEDERAL CREDIT UNION

By: *Shari Cheney*
Title: *Manager*

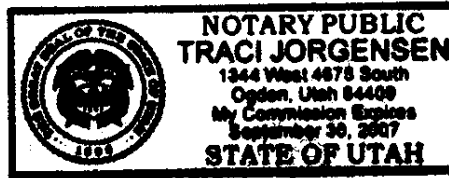
STATE OF UTAH)
COUNTY OF *Weber*) : ss.

The foregoing instrument was acknowledged before me this *22nd* day of *June*, 2006, by *Shari Cheney*, who is a *manager* of AMERICA FIRST FEDERAL CREDIT UNION.

Shari Jorgensen
NOTARY PUBLIC
Residing at *Weber* County, Utah

My Commission Expires:

9-30-07



ORIGINAL BORROWER:

BAILEY COURT, LLC, a Utah limited liability company

By: Lora Lynn Crosby Munson
LORA LYNN CROSBY MUNSON, Manager

By: John J. Barnard
JOHN J. BARNARD, Manager

By: Wesley T. Cornelison
WESLEY T. CORNELISON, Manager

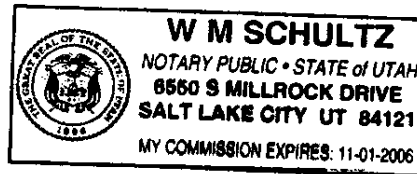
STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 23rd day of June, 2006, by LORA LYNN CROSBY MUNSON, who is a Manager of BAILEY COURT, LLC, a Utah limited liability company.

Wm Schultz
NOTARY PUBLIC
Residing at: Salt Lake Co

My Commission Expires:

11-1-06



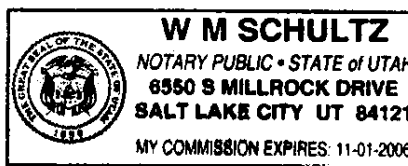
STATE OF UTAH)
COUNTY OF SALT LAKE : ss.

The foregoing instrument was acknowledged before me this 23rd day of JUNE, 2006, by JOHN J. BARNARD, who is a Manager of BAILEY COURT, LLC, a Utah limited liability company.

W M Schultz
NOTARY PUBLIC
Residing at: Salt Lake Co.

My Commission Expires:

11-1-06



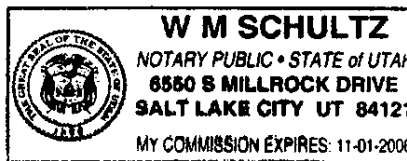
STATE OF UTAH)
COUNTY OF SALT LAKE : ss.

The foregoing instrument was acknowledged before me this 23rd day of JUNE, 2006, by WESLEY T. CORNELISON, who is a Manager of BAILEY COURT, LLC, a Utah limited liability company.

W M Schultz
NOTARY PUBLIC
Residing at: Salt Lake Co.

My Commission Expires:

11-1-06



NEW BORROWER:

John A. Gezon
JOHN A. GEZON

STATE OF UTAH)

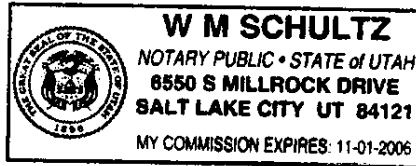
COUNTY OF SALT LAKE) : ss.

The foregoing instrument was acknowledged before me this 23rd day of JUNE, 2006, by JOHN A. GEZON.

W M Schultz
NOTARY PUBLIC
Residing at: Salt Lake Co.

My Commission Expires:

11-1-06



ORIGINAL GUARANTORS:

Lora Lynn Crosby Munson
LORA LYNN CROSBY MUNSON

John J. Barnard
JOHN J. BARNARD

Wesley T. Cornelison
WESLEY T. CORNELISON

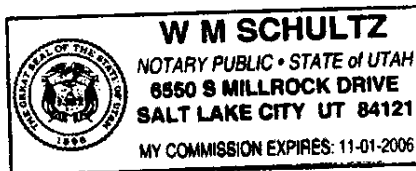
STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 23rd day of JUNE, 2006, by LORA LYNN CROSBY MUNSON.

W M Schultz
NOTARY PUBLIC
Residing at: Salt Lake Co.

My Commission Expires:

11-1-06



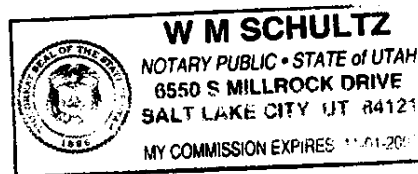
STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me this 23rd day of JUNE, 2006, by JOHN J. BARNARD.

W M Schultz
NOTARY PUBLIC
Residing at: Salt Lake Co.

My Commission Expires:

11-1-06



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

The foregoing instrument was acknowledged before me this 23rd day of June 2006, by WESLEY T. CORNELISON.

W M Schultz
NOTARY PUBLIC
Residing at: Salt Lake Co.

My Commission Expires:

11-1-06

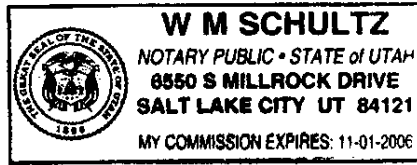


EXHIBIT "A"

PROPERTY DESCRIPTION

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

Beginning at the Southeast corner of Lot 8, Block 13, Plat "A", Salt Lake City Survey and running thence North 5 rods; thence West 184.5 feet; thence South 5 rods; thence East 184.5 feet to the point of beginning.