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ADAM GARDINER  
Recorder, Salt Lake County, UT  
FIRST AMERICAN NCS  
BY: eCASH, DEPUTY - EF 9 P.

**WHEN RECORDED, RETURN TO:**

W. Jeffery Fillmore  
Scalley Reading  
15 West South Temple, Suite 600  
Salt Lake City, Utah 84101

**ASSIGNMENT OF LEASES**

This Assignment of Leases (the "Assignment") is made and executed this 20<sup>th</sup> day of November, 2018 (the "Effective Date"), by One Pioneer Property, LLC, a Utah limited liability company ("Borrower"), in favor of Commercial Investment Corporation ("Lender").

**RECITALS**

A. Pursuant to the Promissory Note dated the Effective Date in which Borrower One Pioneer Property, LLC appears as "Borrower" and Lender appears as "Lender" and which is in the original principal amount of Sixty Eight Thousand Dollars (\$68,000) (the "Note"), and pursuant to the Term Loan Agreement dated the Effective Date wherein Borrower appears as "Borrower" and Lender appears as "Lender" (the "Loan Agreement"), Lender has loaned the proceeds of the Note to Borrower.

B. Pursuant to the Term Loan Trust Deed, Assignment of Rents, Security Agreement and Fixture Filing dated the Effective Date (the "Trust Deed") in which Borrower appears as "Trustor", and Lender appears as "Trustee" and "Beneficiary" and which encumbers the real property (the "Property") together with the improvements thereon located in Salt Lake County, State of Utah, and more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "Project"), Borrower has granted to Lender a lien on the Project to secure the Note.

C. Borrower currently has one or more leases in effect for space in the Project.

D. All tenants in the Project will be in occupancy under written lease agreements between Borrower and tenants and all subject to the terms and conditions of the Loan Documents.

E. Lender desires and Borrower agrees to further secure the Note and the Loan Agreement with an assignment of all leases entered into for any space in the Project and each additional or replacement lease, and all modifications and amendments of such leases (collectively, the "Leases").

**AGREEMENT**

In exchange for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, Borrower and Lender agree as follows:

1. **Assignment.** Borrower hereby absolutely and unconditionally assigns and transfers unto Lender all right, title, and interest of Borrower in and to all leases of the Project or any portion of the Project, now existing or hereafter created, including, without limitation, the Leases, together with all rents, subrents and other amounts received for the use of all or any portion of the Property or the Improvements, including without limitation, any and all rental agreements and arrangements of any kind for all or any portion of the Project now owned or hereafter acquired, and all proceeds from such leases,

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rents, subrents and other amounts received for the use of all or any portion of the Property or the Improvements, now or hereafter existing or entered into, together with all right, title and interest of Borrower in and to all other leases or subleases covering the Project or any portion of the Project, now or hereafter existing or entered into, together with all security deposits made by the lessees thereunder (the "Lessee" or "Lessees") and together with all extensions, renewals, modifications or replacements thereof, as well as all guaranties of Lessee's obligations under any provisions thereof and under any and all extensions and renewals thereof.

2. **License to Collect.** This Assignment shall inure to the benefit of Lender, its successors and assigns for the payment of the principal and interest provided to be paid in or by the Note, the performance of the agreements of Borrower contained in the Loan Agreement and the Trust Deed, and the performance of the agreements of Borrower contained in the Loan Documents and any other document evidencing, securing, or relating to the disbursement or administration of the proceeds of the Note (all of which agreements and obligations are collectively referred to as the "Obligation"), reserving to Borrower, however, a revocable, temporary right and license only to collect, except as hereinafter provided, the rents, income, and profits accruing by virtue of the Lease as they respectively become due (the "License"), but not in advance, and to enforce the agreements of the Lease, as long as Borrower does not default under the Obligation, or this Assignment.

3. **Lender as Creditor of Lessee.** Lender, and not Borrower, shall be the creditor of each Lessee in respect of assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution, or receivership proceedings affecting such Lessee. Lender, however, shall not be the party obligated to make timely filings of claims in such proceedings or to otherwise pursue creditor's rights therein. Lender shall have the option to apply any monies received by Lender as such creditor towards the reduction of the principal or interest of the Obligation as Lender may elect.

4. **Default Remedies of Lender.** If Borrower defaults on the Obligation or this Assignment, and until such default shall have been fully cured, the License of Borrower to collect rents, income, and profits shall cease and terminate. Lender would thereby be authorized at its option to enter and take possession of all or part of the Project, and to perform all acts necessary for the operation and maintenance of the Project in the same manner and to the same extent that Borrower might reasonably so act. In furtherance thereof, Lender shall be authorized, but shall be under no obligation, to collect the rents, income, and profits arising from the Lease, and to enforce performance of any other terms of the Lease including, but not limited to, Borrower's rights to fix or modify rents, sue for possession of the Project, or any part thereof, relet all or part of the Project, and collect all rents, income, and profits under such new lease. Lender shall, after payment of all proper costs, charges, and any damages, apply the net amount of income to the sums then due to Lender under the Obligation as set forth in the Loan Agreement. Lender shall have sole discretion as to the manner in which such net income is applied, and the items that shall be credited thereby.

5. **Termination of Assignment.** When Lender has been paid for the full amount of the Obligation and such payment is evidenced by a recorded satisfaction or release of the Trust Deed, this Assignment shall no longer be in effect and shall be void.

6. **Notice to Lessees of Borrower's Default.** Borrower shall irrevocably authorize each Lessee, upon demand and notice from Lender of Borrower's default under the Obligation, to pay all rents, income, and profits under the Lease to Lender. In such situation, Lender shall not be liable to Lessee for the determination of the actual existence of any default claimed by Lender. Lessees shall have the right to rely upon any such notices of Lender that Lessees shall pay all rents, income, and profits to Lender, without

any obligation or right to inquire as to the actual existence of the default, notwithstanding any claim of Borrower to the contrary. Borrower shall have no claim against Lessees for any rents paid by Lessees to Lender. Upon the curing of all defaults caused by Borrower under the Obligation, the Trust Deed, this Assignment, and any other Loan Document, Lender shall give Lessees written notice of such cure, and thereafter, until further notice from Lender, Lessees shall pay the rents, income, and profits to Borrower.

7. **Assignment of Borrower's Interest in Lease.** Lender shall have the right to assign Borrower's right, title, and interest in the Lease to any subsequent holder of the Trust Deed and to any person acquiring title to the mortgaged premises through foreclosure or otherwise. After Borrower shall have been barred and foreclosed of all right, title, interest, and equity of redemption in the premises, no assignee of Borrower's interest in the Lease shall be liable to account to Borrower for the rents, income and profits thereafter accruing.

8. **Indemnification of Lender.** Borrower shall pay, protect, defend, indemnify and hold Lender harmless of and from any and all liability, loss, or damage that Lender may incur under the Lease or by reason of this Assignment other than such liability, loss, or damage as may be occasioned by Lender's gross negligence or willful misconduct. Such indemnification shall also cover any and all claims that may be asserted against Lender by reason of any alleged obligation to be performed by Lender under the Lease or this Assignment. Nothing in this paragraph shall be construed to bind Lender to the performance of any Lease provisions, or to otherwise impose any liability upon Lender including, without limitation, any liability under the Lease's covenant of quiet enjoyment in the event that any Lessee shall have been joined as party defendant in any action to foreclose the Trust Deed and shall have been barred thereby of all right, title, interest, and equity of redemption in the premises. This Assignment shall not impose liability upon Lender for the operation and maintenance of the premises or for carrying out the Lease terms before Lender has entered and taken possession of the premises. Any loss or liability incurred by Lender by reason of actual entry and taking possession under the Lease or this Assignment or in the defense of any claims shall, at Lender's request, be reimbursed by Borrower. Such reimbursement shall include interest at the default rate set forth in the Note, costs, expenses, and reasonable attorneys' fees. Lender may, upon entry and taking of possession, collect the rents, income, and profits, and apply them toward reimbursement for the loss or liability.

9. **Quality of Borrower's Title to Lease.** Borrower represents itself to be the absolute owner of the Lease, with absolute right and title to assign it and the rents, income, and profits due or to become due thereunder; that the Lease is valid, in full force and effect, and has not been modified or amended except as stated herein; that there is no outstanding assignment or pledge thereof or of the rents, income, and profits due or to become due thereunder; that there are no existing defaults under the provisions thereof on the part of any party; that Lessees have no defense, setoff or counterclaim against Borrower, that Lessees are in possession and paying rent and other charges under the Lease as provided therein; and that no rents, income, and profits payable thereunder have been or will hereafter be anticipated, discounted, released, waived, compromised, or otherwise discharged except as may be expressly permitted by the Lease. Borrower covenants not to cancel, abridge, surrender, or terminate the Lease or change, alter, or modify it, either to reduce the amount of the rents, income, and profits payable thereunder, or otherwise change, alter, abridge or modify the Lease, or make any subsequent assignment of the Lease, or consent to subordination of the interest of any Lessee in the Lease without the prior written consent of Lender. Any attempt at cancellation, surrender, termination, change, alteration, modification, assignment, or subordination of the Lease without the written consent of Lender shall be null and void.

10. **Delivery of Necessary Instruments to Lender.** Borrower shall execute and deliver to Lender and hereby irrevocably appoints Lender, its successors, and assigns as its attorney in fact to execute

and deliver during the term of this Assignment, all further instruments as Lender may deem necessary to make this Assignment and any further assignment effective. The power hereby granted is coupled with an interest in the Project and is irrevocable.

11. **Transfer of Title to Lessees; Cancellation of Lease.** The Lease shall remain in full force and effect despite any merger of Borrower's and any Lessee's interest thereunder. In the event the Lease permits cancellation thereof on payment of consideration and the privilege of cancellation is exercised, the payments made or to be made by reason thereof are hereby assigned to Lender to be applied, at the election of Lender, to reduce the amount of the principal of the Obligation in the inverse order of maturity or to be held in trust by Lender as further security without interest for the payment of the principal and interest provided to be paid on the Obligation.

12. **Lease Guaranties; Assignment of Lease; Alterations of Premises.** Borrower shall not alter, modify, cancel or terminate any guaranties of the Lease without the written consent of Lender. Nor shall Borrower consent to any Lease assignment or subletting, nor agree to a subordination of the Lease to any mortgage or other encumbrance, other than that of Lender, now or hereafter affecting the Project without Lender's prior written consent. Borrower shall not permit a material alteration of or addition to the Project by any Lessee without Lender's prior written consent unless the right to alter or enlarge is expressly reserved by such Lessee in the Lease.

13. **Borrower to Ensure Continued Performance under Lease.** Borrower shall not execute any other assignment of the Lease, of any interest therein, or of any rents payable thereunder. Borrower shall perform all of its covenants as Lessor under the Lease, and shall not permit to occur any release of liability of any Lessee, or any withholding of rent payments by any Lessee. Lender shall promptly receive from Borrower copies of all notices of default Borrower has sent to any Lessee. Borrower shall, at Lender's request, enforce the Lease and all remedies available to Borrower thereunder upon any Lessee's default thereunder.

14. **Changes in Obligation Terms.** Notwithstanding any variation of the terms of the Obligation and/or the Trust Deed including increase or decrease in the principal amount thereof or in the rate of interest payable thereunder or any extension of time for payment thereunder or any release of part or parts of the real property subject to the Trust Deed, the Lease and the benefits hereby assigned shall continue as additional security in accordance with the terms of this Assignment.

15. **Additions to and Replacement of Obligation.** Lender may take security in addition to the security already given Lender for the payment of the principal and interest provided to be paid in or by the Obligation or by the Trust Deed or release such other security, and may release any party primarily or secondarily liable on the Obligation, may grant or make extensions, renewals, modifications, or indulgences with respect to the Obligation or Trust Deed and replacements thereof, which replacement of the Obligation or Trust Deed may be on the same or on terms different from the present terms of the Obligation or Trust Deed, and may apply to any other security thereof held by it to the satisfaction of the Obligation, without prejudice to any of its rights hereunder.

16. **Future and Additional Leases.** This Assignment shall apply and be effective with respect to any and all leases entered into by Borrower and any lessee which may cover or affect any portion of the Project, which lease(s) may be entered into at any time during the period the Obligation remains outstanding and secured by the Trust Deed, regardless of whether such lease(s) is/are in effect on the date this Assignment is executed. Upon the written request of Lender, Borrower shall give Lender prompt notice and provide Lender with a copy of any lease covering any portion of the Project it enters into, if the

lease is not listed in this Assignment or is not in effect on the date of this Assignment. Upon notice from Lender to that effect, such lease shall be deemed included in this Assignment as though originally listed therein, and shall be subject to this Assignment in all respects.

17. **Exercise of Lender's Rights.** Lender's failure to avail itself of any of its rights under this Assignment for any period of time, or at any time or times, shall not constitute a waiver thereof. Lender's rights and remedies hereunder are cumulative, and not in lieu of, but in addition to, any other rights and remedies Lender has under the Obligation and Trust Deed. Lender's rights and remedies hereunder may be exercised as often as Lender deems expedient.

18. **Amendment, Modification, or Cancellation of Assignment.** No amendment, modification, cancellation, or discharge hereof, or of any part hereof, shall be enforceable without Lender's prior written consent.

19. **Notices.** All notices shall be in writing and shall be deemed to have been sufficiently given or served when personally delivered, deposited in the United States mail, by registered or certified mail, or deposited with a reputable overnight mail carrier which provides delivery of such mail to be traced, addressed as follows:

Lender: Commercial Investment Corporation  
250 W. First St., Suite 240  
Claremont, CA 91711

Borrower: One Pioneer Property, LLC  
Kenneth L. Hatch  
PO Box 760  
Glendora, CA 91740  
Attn: Kenneth L. Hatch

With a copy to: One Pioneer Property, LLC  
Kenneth L. Hatch  
2254 Swiftwater Way  
Glendora, CA 9174

Such addresses may be changed by notice to the other party given in the same manner provided in this Section.

20. **Binding Effect.** All agreements herein shall inure to the benefit of, and bind the respective heirs, executors, administrators, successors, and assigns of Borrower and Lender.

21. **Governing Law.** This Assignment shall be governed by, construed and interpreted in accordance with the laws of the State of Utah.

22. **Attorneys' Fees.** Upon the occurrence of an Event of Default, Lender may employ an attorney or attorneys to protect Lender's rights under this Assignment, and Borrower shall pay Lender reasonable attorneys' fees and costs actually incurred by Lender, whether or not action is actually commenced against Borrower by reason of such breach. Borrower shall also pay to Lender any attorneys' fees and costs incurred by Lender with respect to any insolvency or bankruptcy proceeding or other action involving Borrower or any guarantor as a debtor. If Lender exercises the power of sale contained in the

Trust Deed or initiates foreclosure proceedings, Borrower shall pay all costs incurred and attorneys' fees and costs as provided in the Trust Deed.

23. **Integrated Agreement and Subsequent Amendment.** The Loan Documents, the Note, and the other agreements, documents, obligations, and transactions contemplated by this Assignment, constitute the entire agreement between Lender and Borrower with respect to the subject matter of these agreements, and may not be altered or amended except by written agreement signed by Lender and Borrower. PURSUANT TO UTAH CODE SECTION 25-5-4, BORROWER IS NOTIFIED THAT THESE AGREEMENTS ARE A FINAL EXPRESSION OF THE AGREEMENTS BETWEEN LENDER AND BORROWER AND THESE AGREEMENTS MAY NOT BE CONTRADICTED BY EVIDENCE OF ANY ALLEGED ORAL AGREEMENT.

All prior and contemporaneous agreements, arrangements and understandings between the parties to this Assignment as to the subject matter of this Assignment, are, except as otherwise expressly provided in this Assignment, rescinded.

24. **Counterparts.** This Assignment may be executed in any number of counterparts, each of which shall be deemed an original for all purposes, but all of which taken together shall constitute only one agreement. The production of any executed counterpart of this Assignment shall be sufficient for all purposes without producing or accounting for any other counterpart. Copies of this Assignment, and fax signatures thereon, shall have the same force, effect and legal status as an original.

25. **Defined Terms.** Unless otherwise defined in this Assignment, capitalized terms used herein have the meanings given them in the Loan Agreement.

***[SIGNATURE PAGE(S) AND EXHIBIT(S),  
IF ANY, FOLLOW THIS PAGE]***

DATED: November 30, 2018.

BORROWER

**ONE PIONEER PROPERTY, LLC,**  
a Utah limited liability company

By: *Kenneth Hatch*  
Kenneth Lanier Hatch, Sole Member and Manager

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

The foregoing instrument was acknowledged before me this 30 day of November, 2018, by Kenneth Lanier Hatch, Manager of One Pioneer Property, LLC, a Utah limited liability company.

*Kirsten Lee Parkin*  
NOTARY PUBLIC  
Residing at: 12/4/20



**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**

The real property located in Salt Lake County, State of Utah, and more particularly described as follows:

**PARCEL 1:**

**BEGINNING AT A POINT WHICH IS 1057.044 FEET SOUTH 0°03'08" EAST AND SOUTH 89°45'30" WEST 25.00 FEET FROM A SALT LAKE COUNTY MONUMENT LOCATED AT THE INTERSECTION OF 17TH SOUTH AND PIONEER ROAD, SAID POINT OF BEGINNING BEING ALSO VARIOUSLY DESCRIBED AS BEING 17.97 FEET EAST AND 1619.28 FEET NORTH AND SOUTH 89°45'20" WEST 25.0 FEET, AND AS BEING NORTH 89°45'30" EAST 17.05 FEET, AND NORTH 0°03'08" WEST 1619.20 FEET AND SOUTH 89°45'30" WEST 25 FEET FROM THE SOUTH QUARTER CORNER OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; AND RUNNING THENCE FROM SAID POINT OF BEGINNING, SOUTH 0°03'08" EAST 482.72 FEET; THENCE SOUTH 89°45'30" WEST 180.46 FEET; THENCE NORTH 0°03'08" WEST 482.72 FEET; THENCE NORTH 89°45'30" EAST 180.02 FEET TO THE POINT OF BEGINNING.**

**LESS AND EXCEPTING THAT PORTION CONVEYED TO SALT LAKE CITY CORPORATION BY WARRANTY DEED RECORDED FEBRUARY 17, 2000 AS ENTRY NO. 7577865 IN BOOK 8343 AT PAGE 612 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

**COMMENCING AT A POINT WHICH IS NORTH 0°05'40" EAST 840.17 FEET AND WEST 9.47 FEET FROM THE WITNESS CORNER, WHICH IS 300.00 FEET NORTH 0°05'40" EAST ALONG THE SECTION LINE FROM THE SOUTH QUARTER CORNER SECTION 16, TOWNSHIP 1 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; THENCE SOUTH 89°56'52" WEST 12.71 FEET TO A POINT ON A CURVE; THENCE NORTHEASTERLY 39.48 FEET ALONG A 300 FOOT RADIUS CURVE CONCAVE TO THE NORTHWEST (CHORD BEARS NORTH 3°45'14" EAST 39.45 FEET); THENCE NORTH 0°01'27" WEST 443.40 FEET; THENCE NORTH 89°56'52" EAST 9.45 FEET; THENCE SOUTH 0°06'08" EAST 482.72 FEET TO THE POINT OF THE BEGINNING.**

**ALSO LESS AND EXCEPTING ANY PORTION OF THE ABOVE LEGAL DESCRIPTION LYING WITHIN THE LEGAL BOUNDS OF PIONEER ROAD.**

**PARCEL 2:**

**BEGINNING AT A POINT WHICH IS 1057.044 FEET SOUTH 0°03'08" EAST AND 25.0 FEET SOUTH 89°45'30" WEST FROM SALT LAKE COUNTY MONUMENT LOCATED AT THE INTERSECTION OF 17TH SOUTH STREET AND PIONEER ROAD, SAID MONUMENT BEING NORTH 89°45'30" EAST 19.442 FEET AND NORTH 0° 03'08" WEST 2676.244 FEET FROM THE SOUTH QUARTER CORNER OF SECTION 16, TOWNSHIP 1 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; THENCE SOUTH 89°45'30" WEST 181.44 FEET; THENCE NORTH 76°05' WEST 466.454 FEET; THENCE NORTH 89°56'52" EAST 634.434 FEET; THENCE SOUTH 0°03'08" EAST 112.0 FEET TO THE POINT OF BEGINNING.**

**LESS AND EXCEPTING THAT PORTION CONVEYED TO SALT LAKE CITY CORPORATION BY WARRANTY DEED RECORDED FEBRUARY 17, 2000 AS ENTRY NO. 7577865 IN BOOK 8343 AT PAGE 612 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:**



**COMMENCING AT A POINT NORTH 0°05'40" EAST 1322.89 FEET AND WEST 11.12 FEET FROM THE WITNESS CORNER, WHICH IS 300.00 FEET NORTH 0°05'40" EAST ALONG THE SECTION LINE FROM THE SOUTH QUARTER CORNER SECTION 16, TOWNSHIP 1 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN; THENCE SOUTH 89°56'52" WEST 9.45 FEET; THENCE NORTH 0°01'27" WEST 112.00 FEET; THENCE NORTH 89°56'52" EAST 9.30 FEET; THENCE SOUTH 0°06'08" EAST 112.00 FEET TO THE POINT OF BEGINNING.**

**ALSO LESS AND EXCEPTING ANY PORTION OF THE ABOVE LEGAL DESCRIPTION LYING WITHIN THE LEGAL BOUNDS OF PIONEER ROAD.**

**Parcel 1: A.P.N. 15-16-300-009-0000**

File No.: NCS-820810-SLC1

Property: 1874 South Pioneer Road, Salt Lake City, UT 84104

**Parcel 2: A.P.N. 15-16-300-008-0000**

Property: 1844 South Pioneer Road, Salt Lake City, UT 84104