

WHEN RECORDED, MAIL TO:
Joshua F. Hunt
10885 South State Street
Sandy, Utah 84070

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02/10/2011 02:31 PM \$30.00
Book - 9904 Pg - 7632-7642
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
HUNT & HUNT
10885 S STATE ST
SANDY UT 84071
BY: ZJM, DEPUTY - WI 11 P.

Parcel ID # 15-01-376-004

ASSIGNMENT OF LEASE HOLD INTEREST

THIS ASSIGNMENT OF LEASE HOLD INTEREST, ("Assignment") made this 20th day of January, 2011, and executed between:

471W, LLC, a Utah limited liability company, with an office location at 2230 North University Parkway #2C, Provo, Utah 84604, and SECURITY BUILDING STRUCTURE, LLC, with an office location at 2230 North University Parkway #2C, Provo, Utah 84604, collectively referred to as "Grantors,"

and

J & E HOLDINGS, LP, an Alaska limited partnership, with an office at 2230 North University Parkway #2C, Provo, Utah 84604, referred to as "Lender."

NOW, THEREFORE, in consideration of the mutual promises, covenants and consideration, the parties agree as follows:

1. **Collateral.** The Guarantors have entered into a Land Lease, dated July, 20, 2010, wherein 471W, LLC, is the Lessor, and Security Building Structure, LLC, is the Lessee, of the Property described in paragraph two of this Assignment ("Land Lease"). The Land Lease provides Guarantors certain rights, titles and interests in and to the

buildings, fixtures and improvements thereon and all rents, issues, profits, income, tenements, hereditaments, contracts, privileges and appurtenances thereto located on the Property, (herein collectively referred to as the "Collateral").

2. **Assignment.** For valuable consideration, Grantors hereby assign, grant a continuing security interest in, and conveys to Lender all of Grantors' rights, titles and interests in the Collateral which improvements are upon the real property located at 471 West 500 South, Salt Lake City, Utah 84101("Property"), more particularly described as:

See Exhibit "A" attached to this document,
with a property tax identification of 15-01-376-004.

3. **Security.** This Assignment is given for the purpose of securing (1) payment of the indebtedness evidenced by a Promissory Note of April 9, 2010, in the principal sum of \$2,438,700.00, provided by Lender and made to MIDTOWN 7, LP, a Utah limited partnership (herein referred to as "Borrower"), with the Corporate Guarantors of the Promissory Note being 471W, LLC, and Security Building Structure, LLC, both Utah limited liability companies, (the "Note") at the times, in the manner and with interest as therein set forth, and any extensions and/or renewals or modifications thereof, (2) the performance of each agreement of MIDTOWN 7, LP, a Utah limited partnership, as the Borrower, and the Corporate Guarantors, under the Note herein contained; (3) the payment of such additional loans or advances as hereafter may be made to Borrower, or its successors or assigns, when evidenced by the Note or notes reciting that they are secured by this Assignment; and (4) the payment of all sums expended or advanced by Lender pursuant to the terms hereof, together with interest thereon as herein provided.

4. **Guarantors Obligations and Warranties.** To protect the security of the Collateral of this Assignment, the Guarantors agree:

a. To keep said Property and Collateral in good condition and repair; not to remove or demolish any building thereon, to complete or restore promptly and in good workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting said property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluded the general; and, if the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on said Property, Guarantors further agree:

b. To commence construction promptly and to pursue same with reasonable diligence to completion in accordance with plans and specifications satisfactory to Lender; and

c. To allow Lender to inspect said Property and Collateral at all times during construction.

d. To provide and maintain insurance, of such type or types and amounts as Lender may require, on the improvements now existing or hereafter erected or placed on said Property. Such insurance shall be carried in companies approved by Lender with loss payable clauses in favor of and in form acceptable to Lender. In event of loss, Guarantors shall give immediate notice to Lender, who may make proof of loss, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender instead of to Guarantors and Lender jointly, and the insurance proceeds, or any part thereof, may be applied by Lender, at its option to reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged.

e. To deliver to, pay for and maintain with beneficiary until the indebtedness secured hereby is paid in full, such evidence of title as Lender may require, including abstracts of title or policies of title insurance and any extension or renewals thereof or supplements thereto.

f. To appear in and defend any action or proceeding purporting to affect the security hereof, the title to said Property, Collateral, or the rights or powers of Lender; and should Lender elect to also appear in or defend any such action or proceeding, to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Lender.

g. To pay before delinquency all taxes and assessments affecting said Property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with said Property; to pay, when due, all encumbrances, charges, and liens with interest, on said Property or any part thereof, which at any time appear to be prior or superior hereto.

h. That should Guarantors fail to make any payment to or do any act as herein provided, then Lender, but without obligation so to do and without notice to or demand upon Guarantors and without releasing Guarantors from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof of the Collateral, Lender being authorized to enter upon said property for such purposes; commence, appearing and defend any action or proceeding purporting to affect the security hereof or the rights of powers of Lender; pay, purchase, contest, or compromise any encumbrance, charge or lien with in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend

whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title, employ counsel, and pay his reasonable fees.

i. That Grantors, in their own individual capacity have all the right, title, and interest in the Collateral, including but not limited to receiving current or future rents (generated from the Property), free and clear of all rights loans, encumbrances, and claims except as disclosed or allowed under the terms of the Land Lease.

j. That Grantors have the right, title and authority to enter into this Assignment and to assign and convey their individual interests in the Land Lease to Lender.

k. That Grantors have not previously assigned their individual interests in the Land Lease to any other person or entity, by any instrument now enforce.

l. That Grantors will not sell, assign, encumber, or otherwise dispose of any of Grantors' rights in the Land Lease except as provided in this Assignment.

5. **Mutual Agreement Between Grantors and Lender.** It is mutually agreed by the Grantors and Lender that:

a. Should said Property or any part thereof be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, or earthquake, or in any other manner, Lender shall be entitled to all compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of fire and other insurance

affecting said property, are hereby assigned to Beneficiary, who may, after deducting therefrom all its expenses, including attorney's fees, apply the same on any indebtedness secured hereby. Guarantors agree to execute such further assignments of any compensation, award, damages, and rights of action and proceeds as Lender may require.

b. As additional security, Guarantors hereby assigns Lender, during the continuance of this Assignment, all rents, issues, royalties, and profits of the property affected by this Assignment and of any personal property located thereon. Until Borrower shall default in the payment of any indebtedness secured hereby or in the performance of other terms of the Note or any agreement hereunder, Guarantors shall have the right to collect all such rents, issues, royalties, and profits earned prior to default as they become due and payable, as allowed by the Land Lease. If the Borrower of the Note shall default under the terms of the Note, as aforesaid, Guarantors' right to collect any of such monies shall cease and Lender shall have the right, with or without taking possession of the property affected hereby, to collect all rents, royalties, issues, and profits, and take control of the Collateral in place of the Guarantors. Failure to discontinuance of Lender at any time or from time to time to collect any such moneys shall not in any manner affect the subsequent enforcement by Lender of the right, power and authority to collect the same. Nothing contained herein, nor the exercise of the right by Lender to collect, shall be, or be construed to be, an affirmation by Lender of any tenancy, lease or option, nor an assumption of liability under, nor a subordination of the lien or charges of this Assignment to any such tenancy, lease or option.

c. Upon any default by Borrower hereunder, Lender may at any time without notice, either in person, by agent, or by a receiver to be appointed by a

Court (Guarantors hereby consenting to the appointment of Lender as such receiver), and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said Collateral of any part thereof, in its own name sue for or otherwise collect said rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

d. The entering upon and taking possession of said Collateral, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of said property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

e. The failure on the part of Lender to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Lender of any default shall not constitute a waiver of any other or subsequent default.

f. Time is of the essence hereof. Upon default by Borrower in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Lender. In the event of such default, Lender may execute a written notice of default and of election to assume the rights title and interest in the Collateral that were previously enjoyed by the Grantors under the terms and conditions of the Land Lease.

g. This Assignment shall apply to, inure to the benefit of, and bind all parties hereto, their heirs, legatees, devisees, administrators, executors, successors

and assigns. All obligations of Guarantors hereunder are joint and several. The term "Lender" shall mean the owner and holder, including any pledgee of the note secured hereby. In this Assignment, whenever the context requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

6. **Full Performance.** If Borrower pays all of the indebtedness when due and otherwise performs all the obligations imposed upon Borrower under the Note, and the other related documents, Lender shall execute and deliver to Borrower and Guarantors a suitable satisfaction of this Assignment and suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Collateral.

7. **Attorneys' Fees; Expenses.** If Lender institutes any suit or action to enforce any of the terms of this Assignment, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court actions is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interests or the enforcement of its rights shall become a part of the indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid.

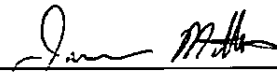
8. **Merger.** There shall be no merger of the interest of estate created by this assignment with any other interest or estate in the Collateral at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

9. **Applicable Law.** This Assignment shall be construed according to the laws of the State of Utah.

10. **Notice.** The undersigned Guarantors requests that a copy of any notice of default and of any notice of sale hereunder be mailed to it at the address hereinbefore set forth.

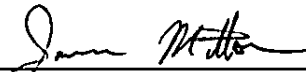
SIGNATURES OF Guarantors:

471W, LLC, a Utah limited liability company



JAMES MITTON, as managing member of
NUMAN, LC, as manager of 471W, LLC

SECURITY BUILDING STRUCTURE, LLC, a
Utah limited liability company



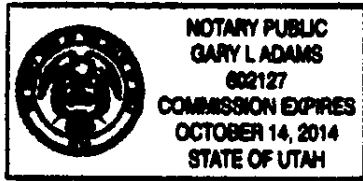
JAMES MITTON, as managing member of
NUMAN, LC, as manager of Security Building
Structure, LLC

[NOTARY ON FOLLOWING PAGE]

STATE OF UTAH)
 :ss.
COUNTY OF UTAH)

BEFORE ME, the undersigned authority, on this day personally appeared JAMES MITTON, as managing member of NUMAN, LC, as manager of 471W, LLC, a Utah limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated as the manager in the Utah limited liability company.

GIVEN UNTO MY HAND AND SEAL OF OFFICE this the 20th day of January 2011.



[Signature]
NOTARY PUBLIC

STATE OF UTAH)
 :ss.
COUNTY OF UTAH)

BEFORE ME, the undersigned authority, on this day personally appeared JAMES MITTON, as managing member of NUMAN, LC, as manager of Security Building Structure, LLC, a Utah limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated as the manager in the Utah limited liability company.

GIVEN UNTO MY HAND AND SEAL OF OFFICE this the 20th day of January 2011.



[Signature]
NOTARY PUBLIC

Exhibit A

LEGAL DESCRIPTION OF PREMISES

Beginning at the Northwest corner of Lot 5, Block 29, Plat "A", Salt Lake City Survey, and running thence North 89°52'20" East 165.08 feet (deed equals East 10 rods) along the Northerly boundary line of said Lot 5; thence South 00°09'14" West (deed equals South) 72.27 feet; thence Westerly 90.46 feet along the arc of a 474.28 foot radius curve to the left (Note: chord to said curve bears South 84°16'24" West for a distance of 90.32 feet) to a point of tangency; thence South 78°48'34" West 76.73 feet to the Westerly boundary line of said Lot 5; thence North 00°09'14" East (deed equals North) 95.80 feet to the point of beginning.

For informational purposes only:

Parcel tax ID: 15-01-376-004

Commonly known as 471 W. 500 S., Salt Lake City, UT 84101