

**Recording Requested By  
And When Recorded Mail To:**

City National Bank  
Note Room, First Floor  
1801 West Olympic Boulevard  
Los Angeles CA 90006

Account No. XX3798  
Note No. XX600

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ST #734245  
Tax ID No. 14-478-0002

**SUBORDINATION AGREEMENT -- LEASE**

**NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INTEREST.**

This Subordination Agreement ("Agreement") is made as of June 15, 2020 by and between CFT NV DEVELOPMENTS, LLC, a Nevada limited liability company ("Owner"), current owner of the land hereinafter described and PANDA EXPRESS, INC., a California corporation ("Tenant").

**RECITALS**

A. Owner, as landlord ("Landlord") did execute a lease in favor of Tenant dated August 3, 2012, ("Lease"), covering that certain real property ("Property") located in the County of Davis, more particularly described on Exhibit A attached hereto. A memorandum of lease dated August 3, 2012, was recorded on August 31, 2012 as Entry No. 2684077, Book 5597 Page 296, in the Official Records of Davis County, State of Utah.

B. Owner has executed, or is about to execute, a deed of trust or mortgage ("Mortgage") securing the obligation referred to therein dated of even date therewith, in favor of CITY NATIONAL BANK, a national banking association ("CNB"), which Mortgage was recorded June 18, 2020 as Instrument/Document No. E 3262046 B 7537 P 643-665 in the Official Records of Davis County, State of Utah;

**City National Bank****SUBORDINATION AGREEMENT – LEASE**

C. It is a condition precedent to obtaining the extension of credit secured by such Mortgage that the Mortgage shall be and remain at all times a lien or charge upon the Property prior and superior to the Lease;

D. CNB is willing to make the extension of credit secured by such Mortgage, provided that the Mortgage is a lien or charge upon the Property prior and superior to the Lease, and provided that Tenant will subordinate the Lease to the lien or charge of the Mortgage;

E. It is to the mutual benefit of the parties hereto that CNB make the extension of credit secured by such Mortgage; and Tenant is willing that the Mortgage shall, when recorded, constitute a lien or charge upon the Property which is prior and superior to the Lease.

**1. AGREEMENT:**

THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce CNB to make the extension of credit secured by such Mortgage, it is hereby declared, understood and agreed as follows:

**1.1** That the Mortgage, and any renewals or extensions thereof, shall be a lien or charge upon the Property prior and superior to the Lease and for all purposes, the Mortgage shall be deemed recorded prior to the execution of the Lease;

**1.2** That any estate in the Property acquired by Tenant shall be fully subject to the Mortgage;

**1.3** That CNB would not make the extension of credit secured by such Mortgage without this Agreement; and

**1.4** That this Agreement shall be the whole and only agreement with regard to the subordination of the Lease to the lien or charge of the Mortgage, and shall supersede and cancel, but only insofar as would affect the priority between the Mortgage, and the Lease, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the Lease which provide for the subordination of the lien or charge thereof to a deed or deeds of trust or to a mortgage or mortgages.

**2. TENANT DECLARES, AGREES AND ACKNOWLEDGES THAT:**

**2.1** CNB, in making disbursements pursuant to any such extension of credit secured by such Mortgage, is under no obligation or duty to, nor has CNB represented that it will, see to the application of such proceeds by the person or persons to whom CNB disburses such proceeds and any application or use of such proceeds for the purposes other than those provided in such agreement or agreements shall not defeat the subordination herein made in whole or in part;

**2.2** Tenant subordinates the Lease in favor of the lien or charge upon the Property and understands that in reliance upon, and in consideration of subordination, specific loans and advances are being and will be made pursuant to the extension of credit secured by such Mortgage and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this subordination; and

**City National Bank****SUBORDINATION AGREEMENT – LEASE**

**2.3** Without limiting the provisions of this Agreement, in the event that CNB shall acquire title to the Property, Tenant agrees to look solely to CNB's interest in the Property and the rents and issues therefrom for the satisfaction of any remedy of Tenant for the collection of a judgment (or other judicial process) requiring the payment of money by CNB in the event of any default by CNB or any claim, cause of action, obligation, contractual, statutory or otherwise, by Tenant against CNB arising from or in any manner related to the Lease, and no other property or assets of CNB, or any officer, director, shareholder, partner, trustee, agent, servant or employee of CNB shall be subject to levy, execution or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to the Lease, CNB's obligations to Tenant whether contractual, statutory or otherwise, the relationship of CNB and Tenant hereunder, or Tenant's use or occupancy of the Property.

*(Signatures follow on next page)*

**City National Bank**

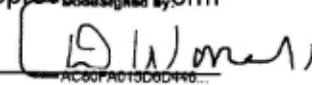
**SUBORDINATION AGREEMENT – LEASE**

**NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH  
ALLOWS THE OWNER ON THE ABOVE-DESCRIBED LEASE TO OBTAIN A  
LOAN. A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES  
THAN IMPROVEMENT OF THE PROPERTY.**

**“TENANT”**

PANDA EXPRESS, INC.,  
a California corporation

By:   
Leonard Yip, CEO

Approve as to Form  


**“OWNER”**

CFT NV DEVELOPMENTS, LLC,  
a Nevada limited liability company

By: \_\_\_\_\_  
Mecky Wong, Manager

Approve as to Form  
\_\_\_\_\_

**(ALL SIGNATURES MUST BE ACKNOWLEDGED BY A NOTARY PUBLIC)**

**City National Bank**

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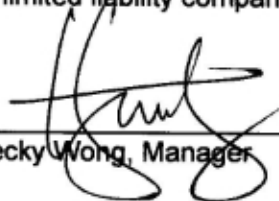
**“TENANT”**

PANDA EXPRESS, INC.,  
a California corporation

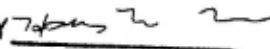
By: \_\_\_\_\_

**“OWNER”**

CFT NV DEVELOPMENTS, LLC,  
a Nevada limited liability company

By:  \_\_\_\_\_  
Mecky Wong, Manager

APPROVED AS TO FORM

BY  \_\_\_\_\_

**(ALL SIGNATURES MUST BE ACKNOWLEDGED BY A NOTARY PUBLIC)**

**City National Bank**

**SUBORDINATION AGREEMENT – LEASE**

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )

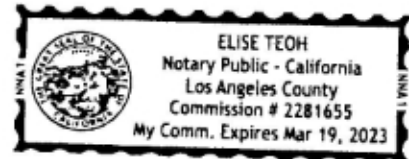
COUNTY OF Los Angeles )

On June 25, 2020, before me, Elise Teoh,  
a notary public, personally appeared Leonard Yap, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Elise Teoh (SEAL)



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )

COUNTY OF Los Angeles )

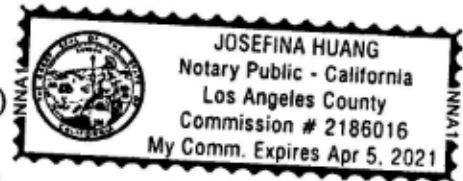
On June 25, 2020, before me, Josefina Huang, a notary public, personally appeared Mecky Wong, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature 

(SEAL)



#811

**City National Bank** **SUBORDINATION AGREEMENT – LEASE**

**Exhibit A**

**Legal Description**

The following described tract of land in Davis County, State of Utah, to wit:

Lot 2, CLINTON CORNERS COMMERCIAL SUBDIVISION, according to the Official Plat thereof as recorded in the Office of the Davis County Recorder, State of Utah.

Tax ID No. 14-478-0002