

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

MOUNTAIN WEST REIT, LLC
c/o Taylor Derrick Capital, LLC
2298 W. Horizon Ridge Pkwy #213
Henderson, NV 89052

13177436
1/24/2020 12:36:00 PM \$40.00
Book - 10888 Pg - 3416-3424
RASHELLE HOBBS
Recorder, Salt Lake County, UT
COTTONWOOD TITLE
BY: eCASH, DEPUTY - EF 9 P.

Parcel Identification Numbers: 15-02-104-001, 15-03-233-017, 15-02-103-001, 15-02-151-002 and 15-02-151-003

File # 121364-BHF

**ASSIGNMENT OF RIGHTS
UNDER COVENANTS, CONDITIONS AND RESTRICTIONS,
SALES AGREEMENTS, PERMITS, AND DEVELOPMENT DOCUMENTS**

THIS ASSIGNMENT OF RIGHTS UNDER COVENANTS CONDITIONS AND RESTRICTIONS, SALES AGREEMENTS, PERMITS, AND DEVELOPMENT DOCUMENTS ("**Assignment**") is made as of January 22, 2020 by MS OPERATING COMPANY, LLC, a Utah limited liability company ("**Assignor**") in favor of MOUNTAIN WEST REIT, LLC, a Delaware limited liability company ("**Assignee**").

WHEREAS, Assignee has agreed to make a loan to Assignor in the original principal amount of EIGHT MILLION EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS (\$8,815,000) ("**Loan**") pursuant to the terms of that certain Loan Agreement between Assignor, as Borrower, and Assignee, as Lender, of even date herewith ("**Loan Agreement**"), which Loan is evidenced by that certain Secured Promissory Note made by Assignor in favor of Assignee, dated of even date herewith in the original principal amount of EIGHT MILLION EIGHT HUNDRED FIFTEEN THOUSAND DOLLARS (\$8,815,000) ("**Note**") and secured by, among other things, Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing ("**Deed of Trust**") made by Assignor in favor of Assignee encumbering certain real property more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference ("**Property**"). Unless otherwise defined herein, capitalized terms used in this Assignment shall have the same meanings as set forth in the Loan Agreement.

WHEREAS, as a condition to making the Loan, Assignee requires Assignor to execute and deliver this Assignment to Assignee as further security for the Loan.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Assignor hereby agrees as follows:

1. Assignment. For value received, Assignor hereby absolutely and irrevocably conveys, transfers and assigns to Assignee:

1.1 All of Assignor's right, title and interest in any profits and/or sales proceeds (including earnest money deposits) now due or which may hereafter become due by virtue of any existing or future contracts which provide for the sale of Assignor's interest in all or any part of the Property (herein singularly or collectively referred to as the "**Sales Agreements**").

1.2 All of Assignor's right, title and interest in and to any and all zoning, use, building and other similar permits, licenses, approvals, certificates and/or other similar authorizations, to the full

extent permitted by law (hereinafter collectively the "**Permits**") obtained by or on behalf of Assignor, or previously transferred to Assignor, in connection with the Property.

1.3 All of Assignor's right, title and interest in, to and under any and all existing or future development agreements, utility agreements, planning ordinances, master-planned approvals or similar entitlements (herein singularly or collectively referred to as the "**Development Documents**") relating to, benefitting and/or facilitating the development of the Property.

1.4 All of Assignor's right, title and interest as "Declarant" under all covenants, conditions and restrictions now or at any time hereafter encumbering the Property or any portion thereof, together with any and all amendments thereto (hereinafter collectively the "**CC&Rs**"); including, without limitation, any and all existing CC&Rs that currently encumber the Property as well as any and all future amendments, restatements, and new CC&Rs recorded against the Property.

The foregoing assignment, transfer and conveyance is intended to be and constitutes a present assignment, transfer and conveyance by Assignor to Assignee.

2. **Obligations Secured.** This Assignment is given for the purpose of securing:

2.1 Repayment of the Loan, including, but not limited to, all principal, interest and other charges and sums due and owing under the Note.

2.2 Payment of all other sums and charges becoming due and payable to Assignee under the provisions of the Loan Agreement, this Assignment, the Note, Deed of Trust, or any of the other Loan Documents.

2.3 The observance and performance of each and every obligation, covenant, agreement, representation and warranty of Assignor contained herein, or under the Loan Agreement, the Note, the Deed of Trust or any other Loan Document.

3. **Covenants of Assignor.** To protect the security of this Assignment, Assignor covenants and agrees:

3.1 To perform each of its obligations under the Permits, Development Documents, CC&Rs and Sales Agreements; at its sole cost and expense, to enforce or secure the performance of each obligation under the Sales Agreements to be performed by purchasers under the Sales Agreements (collectively, "**Purchaser**"); and not to materially modify the Permits, Development Documents, CC&Rs or Sales Agreements, without the prior written consent of Assignee which shall not be unreasonably withheld or delayed. Assignor assigns to Assignee all Assignor's right and power to materially modify in any respect the terms of the Permits, Development Documents, CC&Rs and Sales Agreements and any attempt on the part of Assignor to exercise any such right without the written consent of Assignee shall be a breach of the terms hereof. After Assignee has given its written consent to any modified or new Permits, Development Documents, CC&Rs or Sales Agreement, Assignor shall deliver to Assignee electronic copies of such modified or new Permits, Development Documents, CC&Rs or Sales Agreement as soon as such documents have been executed and hard copies upon Assignee's written request.

3.2 To defend at Assignor's sole cost any action in any manner connected with the Permits, Development Documents, CC&Rs and Sales Agreements, or the obligation hereunder, and to pay all costs of Assignee, including reasonable attorneys' fees, in any such action in which Assignee may appear.

3.3 If Assignor fails to do any act as herein provided and such failure continues for ten (10) days after written notice thereof is given by Assignee to Assignor, then Assignee, but without obligation to do so and without notice to Assignor, and without releasing Assignor from any obligation hereof, may take action in such manner and to such extent as Assignee may deem necessary to protect the security described herein. These actions include specifically, without limiting Assignee's general powers, the defense of any action purporting to affect the security described herein or the rights or powers of Assignee, and also the performance of each obligation of Assignor set forth in the Permits, Development Documents, CC&Rs and Sales Agreements. In exercising such powers, Assignee may employ attorneys and other agents, and pay necessary costs and reasonable attorneys' fees. Assignor agrees to give prompt notice to Assignee of any default of any Purchaser and of any notice of default on the part of the Assignor with respect to the Sales Agreements, together with an accurate and complete copy thereof.

3.4 To pay immediately to Assignee upon demand all sums expended by Assignee under the authority hereof, including reasonable attorneys' fees, together with interest thereon at the default rate provided in the Note and such sums shall be added to Assignor's indebtedness and shall be secured hereby and by the Deed of Trust.

4. **Assignor's Warranties.** Assignor represents and warrants to Assignee that: (a) Assignor has not executed any prior assignment of the Permits, Development Documents, CC&Rs or Sales Agreements or the proceeds due thereunder or performed any act or executed any instrument which might prevent Assignee from operating under any of the terms and conditions thereof, or which would limit Assignee in such operation; (b) to the knowledge of Assignor, no default now exists under the Permits, Development Documents, CC&Rs or Sales Agreements; (c) Assignor has good right, title and interest in and to the Permits, Development Documents, Sales Agreements and CC&Rs hereby assigned and the right to assign the same, and that no other person or entity has any right, title or interest therein; and (d) Assignor has duly and timely performed all of the terms, covenants, conditions and warranties set forth in the Permits, Development Documents, CC&Rs and Sales Agreements which are to be kept, observed and performed by Assignor.

5. **Limited License Back.**

5.1 So long as there exists no (i) "Event of Default" (as defined in the Loan Agreement); or (ii) uncured default in the performance of any material obligation, covenant or agreement contained herein, in the Sales Agreements, Development Documents, CC&Rs or Permits, Assignor shall (x) have a license to exercise all rights and powers of the "Declarant" under the CC&Rs, (y) have the right to enjoy all of the rights arising out of the Development Documents and Permits, and (z) have a license to collect upon, but not prior to, accrual, all sales proceeds, issues and profits coming due pursuant to the Sales Agreements and to hold the same as a trust fund to be applied, as required by Assignee, as follows:

(a) First, to the payment of taxes and assessments upon the Property before any penalty or interest is due thereon;

(b) Second, to the costs of insurance, maintenance, repairs and any other payments as required by the terms of the Deed of Trust;

(c) Third, to satisfaction of all obligations under the Permits, CC&Rs, Sales Agreements and Development Documents;

(d) Fourth, to the payment of interest, principal, and any other sums becoming due under the Note, the Loan Agreement and Deed of Trust; and

(e) Fifth, for Assignor's remaining purposes.

5.2 Upon the occurrence and continuance of (a) an Event of Default or (b) an uncured default in the performance of any material obligation, covenant or agreement contained herein, in the Sales Agreements, Development Documents, CC&Rs or Permits, Assignee may: (i) exercise any and all rights and remedies available to it under the Loan Documents, (ii) immediately exercise any and all rights of the "Declarant" under the CC&Rs; (iii) make, cancel, enforce or modify the Sales Agreements; (iv) exercise all rights under the Permits and Development Documents; (v) do any acts which Assignee deems proper to protect the security hereof, and (vi) either with or without taking possession of the Property, in its own name sue for or otherwise collect and receive all payments due under the Sales Agreements, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Assignee may determine. The entering and taking possession of the Property, the collection of such payments and the application thereof as aforesaid, shall not cure or waive any default or waive, modify or affect notice of default under the Deed of Trust or invalidate any act done pursuant to such notice.

5.3 Any default by Assignor in the performance of any material obligation herein contained that is not cured within any applicable notice and cure period shall constitute an Event of Default under the terms of the Deed of Trust entitling Assignee to all of its rights and remedies thereunder, including specifically the right to declare a default thereunder and to elect to sell the Property secured by the Deed of Trust, or foreclose the Deed of Trust as provided by law.

5.4 Assignee shall not be obligated to perform nor does it hereby undertake to perform any obligation under the Permits, Development Documents, CC&Rs, Sales Agreements or this Assignment and all claims which may be asserted against it by persons other than Assignor by reason of any alleged obligation to perform any of the terms in the Permits, Development Documents, CC&Rs or Sales Agreements; should Assignee incur any such liability, loss or damage under the Permits, Development Documents, Sales Agreements, CC&Rs or this Assignment, or in the defense of any such claims, the amount thereof, including costs and reasonable attorneys' fees, shall be secured hereby and by the Deed of Trust, and Assignor shall reimburse Assignee therefor immediately upon demand, and upon failure of Assignor to do so Assignee may declare all sums secured hereby immediately due and payable.

6. **Miscellaneous.**

6.1 Until all indebtedness secured hereby has been paid in full, any subsequent Permits, Development Documents, CC&Rs and Sales Agreements shall be deemed to be assigned to Assignee hereby, upon the terms and conditions herein contained, and Assignor agrees to execute all instruments necessary therefor.

6.2 Upon the payment in full of all indebtedness secured hereby, this Assignment shall automatically terminate and shall be of no effect. In such an event, Assignee agrees to execute any document reasonably necessary to release its interest hereunder. The affidavit of any officer of Assignee showing any part of said indebtedness to remain unpaid shall be conclusive evidence of the validity, effectiveness and continuing force of this assignment, and any person may and is hereby authorized to rely thereon.

6.3 This Assignment, together with the covenants and warranties herein contained, shall inure to the benefit of Assignee, to any lender participating in the Note, and to any subsequent holder of said Note, and shall be binding upon Assignor, its successors and assigns. Pursuant to Section 12.3 of the Loan Agreement, Assignor shall immediately execute, upon the request of Assignee, such estoppels and

confirmation as Assignee may reasonably require in order to facilitate any financings or participations arranged by Assignee, including, but not limited to, a certification by Assignor that, to the extent true, this Assignment is unmodified and in full force and effect and, to the knowledge of Assignor, there are no defaults by Assignee under this Assignment.

6.4 All notices hereunder shall be in writing and sent by certified mail to the addresses specified in the Loan Agreement.

6.5 Assignee may take or release other security, may release any party primarily or secondarily liable for any indebtedness secured hereby, may grant extensions, renewals or indulgences with respect to such indebtedness, and may apply any other security held by it to the satisfaction of such indebtedness without prejudice to any of its rights hereunder. It is further agreed that nothing herein contained and no act done or omitted by Assignee pursuant to the powers and rights granted to Assignee herein shall be deemed to be a waiver by Assignee of the rights and remedies possessed by Assignee under the terms hereof. The right of Assignee to collect said indebtedness and to enforce any other security therefor owned by Assignee may be exercised either prior to, simultaneously with, or subsequent to any action taken by Assignee hereunder.

6.6 This Assignment constitutes an irrevocable direction and authorization to all purchasers under Sales Agreements to pay all sales proceeds to Assignee upon demand from Assignee during the existence of an Event of Default without the necessity of any further consent or other action by Assignor.

6.7 Assignor hereby agrees to indemnify, protect and hold Assignee harmless from any and all liability, loss, damage or expense which Assignee may incur under or by reason of (i) this Assignment; (ii) any action taken by Assignee hereunder; or (iii) defense of any and all claims and demands whatsoever which may be asserted against Assignee arising out of the Permits, Development Documents, Sales Agreements or CC&Rs, excluding any such liability, loss, damage or expense to the extent attributable to the gross negligence or willful misconduct of Assignee. Should Assignee incur any such liability, loss, damage or expense, the amount thereof, including reasonable attorneys' fees, with interest thereon at the Default Rate provided in the Note shall be payable by Assignor immediately upon demand, and shall be secured hereby and by the Deed of Trust.

6.8 Assignee's failure to avail itself of any of the rights and remedies set forth in this Assignment for any period of time or at any time shall not be construed or deemed to be a waiver of any such right or remedy, and nothing herein contained nor anything done or omitted to be done by Assignee pursuant hereto shall be deemed a waiver by Assignee of any of its rights and remedies under the Note and Deed of Trust or of the benefit of the laws of the state in which the Property is situated. The rights of Assignee to collect the said indebtedness, to enforce any other security therefor, or to enforce any other right or remedy hereunder may be exercised by Assignee, either prior to, simultaneously with, or subsequent to, any such other action hereinbefore described, and shall not be deemed an election of remedies.

6.9 This Assignment shall be governed by and construed in accordance with Utah law.

IN WITNESS WHEREOF, Assignor has executed this Assignment as of the day and year first above written.

ASSIGNOR:

MS OPERATING COMPANY, LLC
A Utah limited liability company


By: GRANT S. KESLER
Its: Manager

State of Utah)
 :SS
County of SALT LAKE)

On January 22, 2020, before me, Brenda S Holliday
(insert name and title of the officer)

personally appeared Grant S. Kesler, 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 executed the same in his herein stated capacity.

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

WITNESS my hand and official seal.

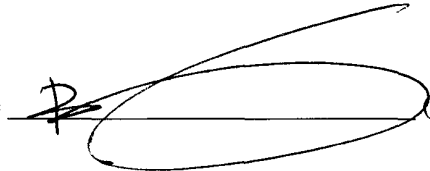
Signature  (Seal)



EXHIBIT "A"
Legal Description

The Land referred to herein is situated in the County of Salt Lake, State of Utah, and is described as follows:

PARCEL 1:

A portion of the Northwesterly one-quarter of Section 2, Township 1 South, Range 1 West, Salt Lake Base and Meridian, being more particularly described as follows:

Commencing at a point North 00°03'34" West a distance of 26.69 feet from the Southwest corner of Lot 3, Block 6, HIGHLAND PARK ADDITION, a subdivision located in said Section 2; thence from said point of commencement continuing North 00°03'34" West a distance of 50.12 feet to the point of beginning of the parcel of land to be described; thence from said point of beginning continuing North 00°03'34" West a distance of 115.34 feet to a point on the Southeasterly right-of-way line of Union Pacific Railroad as shown on said property survey; thence Northeasterly on the arc of a curve to the right having a radius of 2831.79 feet (the center of said curve bears South 19°37'14" East) through a central angle of 13°05'44" an arc distance of 647.24 feet; thence North 83°28'30" East 171.73 feet to the West bank of the Jordan River; thence South 11°35'00" East along said bank 112.42 feet, more or less, to the Northerly right of way line of the Western Pacific Railroad; thence South 74°43'00" West along said railroad 297.44 feet; thence continuing along said railroad on the arc of a curve to the right having a radius of 2839.79 feet (the center of said curve bears North 15°17'00" West) through a central angle of 11°01'36" an arc distance of 546.52 feet to the point of beginning.

PARCEL 2:

Beginning at a point North 00°03'34" West 1534.93 feet and North 89°58'19" East 30.70 feet from the City monument in the intersection of Navajo Street and 300 South Street, said point also being South 00°03'34" East along the section line 907.45 feet and North 89°58'19" East 28.66 feet from the Northeast corner of Section 3, Township 1 South, Range 1 West, Salt Lake Base and Meridian and running thence South 89°58'19" West 20.70 feet; thence North 00°03'34" West 70.00 feet; thence South 89°58'19" West 20.00 feet; thence South 00°03'34" East 21.79 feet to a point of a 28.00 foot radius tangent curve to the right; thence Southwesterly along the arc of said curve 44.00 feet and through a central angle of 90°01'53"; thence South 89°58'19" West 21.98 feet; thence South 00°03'34" East 20.00 feet; thence South 89°58'19" West 185.76 feet to a point on a 2831.79 foot radius curve to the right; the center of said curve bears South 25°40'33" East; thence Northeasterly along the arc of said curve 299.56 feet and through a central angle of 06°03'40"; thence South 00°03'34" East 115.34 feet to the point of beginning.

PARCEL 3:

Part of Blocks 4, 5 and 6 of HIGHLAND PARK ADDITION, according to the official plat thereof as recorded in the office of the Salt Lake County Recorder, together with the vacated streets and alleys contiguous thereto, being more particularly described as follows:

Beginning on the West line of said Block 6 and the Northerly right of way line of 200 South Street at a point North 00°03'34" West 139.54 feet from the Southwest corner of said Block 6 and running thence along the Northerly right of way line of said Street as follows: South 76°31'39" East 432.59 feet; thence South 79°05'55" East 111.03 feet; thence South 83°29'11" East 109.72 feet; thence South 87°24'07" East 109.14 feet; thence North 89°58'19" East 88 feet to the West line of the Jordan River; thence along said River the following six (6) courses: (1) North 00°24'00" East 67.80 feet; (2) thence North 05°16'00" West 229.10 feet; (3) thence North 08°26'00" East 142.5 feet; (4) thence North 10°35'30" East 179.36 feet; (5) thence North 07°31'30" West 140.00 feet; (6) thence North 15°01'20" West 73.63 feet to a point on the Southerly right of way line of the Western Pacific Railroad; thence South 74°43'00" West along said Railroad 294 feet; thence continuing along said Railroad Southwesterly along a 2889.79 foot radius curve to the right a distance of 557.49 feet; thence South 00°03'34" East 401.69 feet to the Southwest corner of Lot 18 of said Block 6; thence North 89°58'19" East 141.00 feet; thence South 00°03'32" East 100.00 feet; thence South 89°58'19" West 141.00 feet; thence South 00°03'34" East 10.46 feet to the point of beginning.

LESS AND EXCEPTING THEREFROM that portion conveyed to Salt Lake County by that certain Warranty Deed recorded February 25, 1971 as Entry No. 2372762 in Book 2938 at Page 799, being more particularly described as follows:

Beginning at a point 820.68 feet North and 821.45 feet East from the Southwest corner of Block 6, Highland Park Addition and running thence South 00°41'10" East 445.12 feet; thence North 08°26'00" East 62.37 feet; thence North 10°35'30" East 179.36 feet; thence North 07°31'30" West 140 feet; thence North 15°01'20" West 73.63 feet; thence South 74°43'00" West 10.43 feet to the point of beginning.

ALSO LESS AND EXCEPTING THEREFROM any portion lying within the bounds of the property described in that certain Special Warranty Deed recorded August 20, 2018 as Entry No. 12832858 in Book 10704 at Page 6352, being all of Lots 15, 16, 17, 18, and the West 15 feet of Lots 39, 40, 41, and 42, of Block 6, Highland Park Addition, and the vacated alley contiguous thereto, according to the official plat thereof as recorded in the office of the Salt Lake County Recorder.

PARCEL 4:

Lots 19 and 20, in Block 6 of HIGHLAND PARK ADDITION, according to the official plat thereof as recorded in the office of the Salt Lake County Recorder.

TOGETHER WITH ½ the vacated alley contiguous thereto.

PARCEL 5:

Lots 21 and 22, in Block 6 of HIGHLAND PARK ADDITION, according to the official plat thereof as recorded in the office of the Salt Lake County Recorder.

TOGETHER WITH ½ the vacated alley contiguous thereto.

NOTE: Parcel Identification Numbers: 15-02-104-001, 15-03-233-017, 15-02-103-001, 15-02-151-002 and 15-02-151-003 (for reference purposes only)