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RASHELLE HOBBS
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TAX PARCEL NO. 22-08-128-008

CT-118282-CAF

DEED OF TRUST AND SECURITY AGREEMENT

JF SPRING RUN PARTNERS, LLC, as Trustor,

to

**OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, as Trustee for the benefit of
AMERICAN MEMORIAL LIFE INSURANCE COMPANY, as Beneficiary**

Dated: As of December 18, 2019

Location: Moda Spring Run, 965 E. Murray Holladay Road, Millcreek, Salt Lake County, Utah

**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:**

Alston & Bird LLP
One Atlantic Center
1201 West Peachtree Street
Atlanta, Georgia 30309-3424
Attn: Albert E. Bender, Jr.

THIS INSTRUMENT IS INTENDED TO BE EFFECTIVE AS A FINANCING STATEMENT FILED AS
A FIXTURE FILING PURSUANT TO THE UNIFORM COMMERCIAL CODE AS ENACTED IN THE
STATE OF UTAH.

DEED OF TRUST AND SECURITY AGREEMENT

THIS DEED OF TRUST AND SECURITY AGREEMENT (this “Instrument”) is made as of December 18, 2019, from **JF SPRING RUN PARTNERS, LLC**, a Utah limited liability company (the “Borrower”), as Grantor and Trustor, having an office and place of business located at 1148 W. Legacy Crossing Blvd., Suite 400, Centerville, UT 84014, to **OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**, as Trustee, having its place of business at c/o Cottonwood Title Insurance Agency, Inc., 1996 East 6400 South, Suite 120, Salt Lake City, UT 84121 (the “Trustee”), for the benefit of **AMERICAN MEMORIAL LIFE INSURANCE COMPANY**, a South Dakota corporation (the “Lender”), having a mailing address of c/o Assurant Asset Management, 28 Liberty Street, New York, NY 10005, as Beneficiary.

WITNESSETH:

WHEREAS, Borrower is the owner of a fee estate in the premises described in **Exhibit A** attached hereto and made a part hereof (the “Premises”);

NOW THEREFORE, to secure the payment in full of an indebtedness in the principal sum of Twelve Million One Hundred Thousand and No/100 Dollars (\$12,100,000.00) (hereinafter referred to as the “Loan”), lawful money of the United States of America, to be paid with interest (said indebtedness, interest, late charges, prepayment premiums and all other sums which may or shall become due hereunder being hereinafter collectively referred to as the “Debt”) according to that certain Promissory Note dated the date hereof given by Borrower to Lender (the “Note”), which Note is due and payable on or before January 1, 2030, and any renewals, extensions, modifications or replacements of the Note [the Note, this Instrument, that certain Assignment of Leases and Rents dated of even date herewith from Borrower to Lender (the “Assignment of Leases”), and any and all of the documents now or hereafter executed by Borrower, any Responsible Party (as defined in the Note), any guarantor of the Debt or of the performance by Borrower of any of the terms of this Instrument (a “Guarantor”) or others affiliated with Borrower and by or in favor of Lender which pertain to the Loan (but excluding the loan application and any loan commitment), are herein referred to as the “Loan Documents”], Borrower has mortgaged, given, granted, bargained, sold, aliened, conveyed, warranted, set over, transferred, confirmed and assigned, and by these presents does mortgage, give, grant, bargain, sell, alien, convey, warrant, set over, transfer, confirm and assign unto Trustee, in trust forever, **WITH POWER OF SALE** and right of entry and possession, and grants to Lender a security interest in, all right, title and interest of Borrower now owned, or hereafter acquired, in and to the following property, rights and interests (such property, rights and interests being hereinafter collectively referred to as the “Mortgaged Property”):

- (a) the Premises;
- (b) all buildings and other structures and improvements now or hereafter located on the Premises (the “Improvements”);
- (c) all of the estate, right, title, claim or demand of any nature whatsoever of Borrower, either in law or in equity, in possession or expectancy, in and to the Premises and Improvements or any part thereof;
- (d) all easements, rights-of-way, strips and gores of land, vaults, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments, and appurtenances, reversion or reversions, remainder or remainders of any nature whatsoever, in any way belonging, relating or pertaining to the Premises (including, without limitation, any and all development rights, air rights or similar or

comparable rights of any nature whatsoever now or hereafter appurtenant to the Premises or now or hereafter transferred to the Premises) and all land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Premises to the center line thereof;

(e) all machinery, apparatus, equipment, fittings, fixtures and other property of every kind and nature whatsoever and all additions thereto and renewals and replacements thereof, and all substitutions therefor, now owned or hereafter acquired by Borrower, or in which Borrower has or shall have an interest, now or hereafter located upon or in, or attached to, any portion of the Premises and Improvements, or appurtenances thereto, and used or usable in connection with the present or future operation and occupancy of the Premises and Improvements and all building equipment, materials and supplies of any nature whatsoever owned by Borrower, or in which Borrower has or shall have an interest, now or hereafter located upon the Premises and Improvements (collectively, the "Equipment") (other than fixtures, equipment, machinery or other property of tenants under any lease of or rental agreement for space in the Premises and Improvements and other than equipment owned by the property management company used for property management purposes and other than equipment owned by any other related service providers rendering services to and for the Premises and Improvements for purposes or rendering services to and for the Premises and Improvements), including the interest of Borrower in all of the aforesaid which are subject to lease agreements or other service contracts (but excluding the interest of the lessor or owner of such items), and including all extensions, additions, improvements, betterments, after-acquired property, renewals, replacements and substitutions, or proceeds from a sale of any of the foregoing, and the right, title and interest of Borrower in and to any of the Equipment which may be subject to any security agreements (as defined in the Uniform Commercial Code of the State in which the Premises and Improvements are located; the "Uniform Commercial Code"), superior in lien to the lien of this Instrument and all proceeds and products of any of the above, and all inventory, accounts, chattel paper, documents, equipment, fixtures, farm products, consumer goods and general intangibles constituting proceeds acquired with cash proceeds of any of the property described hereinabove, all of which are hereby declared and shall be deemed to be fixtures and accessions to, and a part of, the Premises and Improvements as between the parties hereto and all persons claiming by, through or under them, and which shall be deemed to be a portion of the security for the Debt and to be secured by this Instrument;

(f) all awards or payments, including interest thereon, and the right to receive the same, which may be made with respect to the Premises, Improvements and Equipment, whether from the exercise of the right of eminent domain (including any transfer made in lieu of the exercise of said right), for a change in grade or for any other injury to or decrease in the value of the Premises and Improvements;

(g) the interest of the owner of the Mortgaged Property in and to all leases, subleases, lettings, licenses, occupancy agreements and other agreements affecting the use or occupancy of the Premises and Improvements or any part thereof now or hereafter entered into (including any such agreements entered into after filing by or against Borrower of a petition for relief under 11 U.S.C. Section 101 *et seq.* (the "Bankruptcy Code"), as the same may be amended from time to time), and including, but not limited to, (i) all amendments, extensions, modifications, replacements or renewals thereof, (ii) any and all guaranties of any tenant's obligations under any provisions thereof, and (iii) any and all notes, lines of credit or other documents or instruments that evidence any financing by Borrower of any tenant improvements or other amounts related to such use or occupancy or lease obligations (such leases and other occupancy agreements as aforesaid, as the same may be amended, extended, modified or renewed, and together with the rights and interests set forth below in this paragraph are hereinafter referred to collectively as the "Leases" and individually as a "Lease") and absolutely and presently the right to receive and apply the rents, revenues, income, issues, cash collateral, royalties, benefits, advance rentals, security deposits, payments, cash and profits of the Premises and Improvements from time to time

accruing, including, without limitation, all payments under Leases or tenancies, proceeds of insurance, additional rents, lease termination fees, tenant security deposits and escrow funds paid or accruing before or after the filing by or against Borrower of a petition for relief under the Bankruptcy Code (the "Rents") to the payment of the Debt; reserving only the right, power and authority given to Borrower as a licensee to collect and apply the same prior to the occurrence of a Default hereunder and so long as the same are not subjected to garnishment, levy, attachment or lien;

(h) all proceeds of and any unearned premiums on any insurance policies covering the Premises and Improvements (whether or not such policies are specifically required hereunder and/or the requirement for such policies had been theretofore waived or deferred by Lender), including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Premises and Improvements;

(i) the right, in the name and on behalf of Borrower, to appear in and defend any action or proceeding brought with respect to the Premises and Improvements and to commence any action or proceeding to protect the interest of Lender and Trustee in the Premises and Improvements; and

(j) all refunds, rebates or credits in connection with the reduction of Taxes (hereinafter defined) as a result of tax certiorari or any applications or proceedings for deduction;

(k) all trade names, trademarks, service marks, logos, copyrights, goodwill, books and records (including, but not limited to, recorded data of any kind or nature, regardless of the medium of recording, including software, writings, plans, specifications and schematics) and all right, title and interest of Borrower now owned, or hereafter acquired, in and to any other general intangibles specific to or used in connection with the operation of the Mortgaged Property; and

(l) all right, title and interest of Borrower now owned, or hereafter acquired, in and to any and all other rights, members and appurtenances whatsoever, in any way belonging, relating or appertaining to any of the Premises and Improvements hereinabove mentioned or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired by Borrower.

TO HAVE AND TO HOLD the above granted and described Mortgaged Property unto and to the proper use and benefit of Trustee, and the successors and assigns of Trustee, forever **IN FEE SIMPLE**, and Borrower covenants and warrants that Borrower is lawfully seized of the Mortgaged Property and has good right to convey the same, and that the same are unencumbered except for those matters set forth on **Exhibit B** attached hereto and incorporated herein by this reference (the "Permitted Title Exceptions"), and that Borrower will warrant and forever defend the title thereto against the claims of all persons whomsoever, except as to the Permitted Title Exceptions.

Borrower makes the foregoing grant to Trustee to have and to hold the Mortgaged Property **IN TRUST** for Lender and for the purposes and upon the terms and conditions hereinafter set forth.

PROVIDED, HOWEVER, these presents are upon the express condition that, if Borrower shall well and truly pay to Lender the Debt at the time and in the manner provided in the Note and this Instrument and shall well and truly perform all other obligations as set forth herein and each covenant and condition hereof and in the Note, these presents and the estate hereby granted shall cease, terminate and be void; provided, however, that Borrower's obligation to indemnify and hold harmless Lender pursuant to the provisions hereof shall survive any such payment or release to the extent provided herein.

AND Borrower covenants and agrees with and represents and warrants to Trustee and Lender as follows:

ARTICLE I - GENERAL PROVISIONS

1.1 Payment of Debt. Borrower will pay the Debt at the time and in the manner provided for its payment in the Note and in this Instrument.

1.2 Warranty of Title; Other Representations and Warranties. In that certain Closing Certification of Borrower of even date herewith (the "Closing Certification"), Borrower has made certain representations and warranties in favor of Lender, each of which is incorporated herein by this reference. Borrower is fully aware that Lender is relying on the Closing Certification in making the Loan.

1.3 Insurance.

(a) Borrower will keep the Improvements and the Equipment insured with the following, in each case to the extent that such coverages might be applicable to the Improvements and the Equipment:

(i) "Special" Form coverage, including, but not limited to, coverage against loss or damage by fire, vandalism, malicious mischief and such other hazards as Lender shall from time to time reasonably require, in amounts reasonably approved by Lender, which amounts shall in no event be less than 100% of the full replacement cost of the Improvements and the Equipment (without deduction for physical depreciation and exclusive of excavations, footings and foundations, landscaping and paving), with an agreed amount endorsement and replacement cost endorsement and shall be sufficient to meet all applicable co-insurance requirements;

(ii) boiler, machinery and sprinkler leakage insurance covering physical damage to the Improvements and Equipment and any other major components of any central HVAC system and such other equipment as Lender may reasonably require (without exclusion for explosion);

(iii) business income insurance sufficient to cover one (1) year's gross receipts from the Mortgaged Property from the date of such calamity and loss;

(iv) Commercial General Liability insurance, including broad form property damage, blanket contractual and personal injury coverage, and General Liability Insurance (with General Aggregate Amount and Per Occurrence Limit);

(v) law and ordinance coverage to compensate for the cost of demolition, development and increased cost of construction if any portion of the Improvements are non-conforming under applicable law; and

(vi) such other forms of insurance coverage with respect to the Premises and Improvements as Lender shall from time to time reasonably require in amounts reasonably approved by Lender, including, but not limited to, insurance for seismic risks and coverage for mold and other indoor and outdoor contaminants.

During any period of construction, renovation or restoration of the Improvements, Borrower shall maintain (or cause to be maintained) "all builder's risk" insurance, in a form reasonably acceptable to Lender. If the Premises are improved, and any portion thereof is located in the then applicable 100 year flood plain or in a Federally designated "special flood hazard area", in addition to the other policies of insurance required under this paragraph and/or any other policies of insurance obtained by Borrower, whether or not required hereunder, including, without limitation, any insurance Borrower elects to obtain

notwithstanding a prior waiver or deferral of such requirement by Lender (the "Policies"), a flood insurance policy acceptable in all respects to Lender shall be delivered by Borrower to Lender. If no portion of the Premises is located in the then applicable 100 year flood plain or in a Federally designated "special flood hazard area" such fact shall be substantiated by a certificate in form satisfactory to Lender from a licensed surveyor, appraiser or professional engineer or other qualified person satisfactory to Lender in accordance with applicable regulations.

(b) Borrower shall at all times comply with and shall cause the Improvements and Equipment and the use, occupancy, operation, maintenance, alteration, repair and restoration thereof to comply with the terms, conditions, stipulations and requirements of the Policies. All Policies shall be issued by insurers having a minimum policy holders rating of "A" and a financial size category of VII or better per the latest rating publication of Property and Casualty Insurers by A.M. Best Company, Inc. and who are lawfully doing business in the State in which the Premises and Improvements are located and are otherwise reasonably acceptable in all respects to Lender. All Policies provided for or contemplated by the provisions of subsection 1.3(a), shall name Lender and Borrower as the insured or additional insured, as their respective interests may appear, and in the case of property damage, rent loss, business income, business interruption, boiler and machinery, earthquake and flood insurance, shall contain a so-called New York standard noncontributing mortgagee clause (or its equivalent) in favor of Lender providing that the loss thereunder shall be payable to Lender. Without limiting the foregoing, all Policies shall otherwise be in form and substance reasonably satisfactory in all respects to Lender. Borrower hereby assigns the proceeds of the Policies to Lender and directs and hereby authorizes each insurance company to make payment for loss directly to Lender, as its interest may appear, provided that any proceeds from any liability insurance policy shall be assigned to Lender only to the extent assignable and payable to Lender. All Policies shall provide that the coverages evidenced thereby shall not be terminated or materially modified without thirty (30) days prior written notice to Lender. Blanket insurance policies shall not be acceptable for the purposes of this paragraph unless otherwise approved to the contrary by Lender, and must, to be entitled to be approved, contain a statement of values and such other conditions reasonably required by Lender. Borrower shall pay the premiums for the Policies as the same become due and payable. At the request of Lender, Borrower will deliver the Policies to Lender. Not later than ten (10) days prior to the expiration date of each of the Policies, Borrower will deliver to Lender a renewal policy or certificates of renewal marked "premium paid" or accompanied by other evidence of payment of premium satisfactory to Lender. If at any time Lender is not in receipt of written evidence that all insurance required hereunder is in full force and effect, Lender shall have the right, without notice to Borrower, to take such action as Lender reasonably deems necessary to protect its interest in the Premises and Improvements, including, without limitation, the obtaining of such insurance coverage as Lender in its sole discretion deems appropriate, and all expenses incurred by Lender in connection with such action or in obtaining such insurance and keeping it in effect shall be paid by Borrower to Lender within ten (10) days after demand and until paid shall be secured by this Instrument in accordance with Section 2.7 hereof.

(c) (i) If the Premises and Improvements shall be damaged or destroyed, in whole or in part, by fire, or other casualty Borrower shall give prompt notice thereof to Lender. Lender shall make the amount of all insurance proceeds received by Lender pursuant to the provisions of this Instrument as a result of such damage or destruction after deduction of its reasonable costs and expenses, if any, in collecting the same (the "Net Proceeds") available for the repair and restoration of the Improvements, provided that:

(aa) no uncured Default or Event of Default shall exist under the Note or this Instrument at the time of the casualty or any requested disbursement hereunder (and if an Event of Default shall exist under the Note or this Instrument at such time, Borrower may cure such

Event of Default in order to satisfy such condition precedent to the privilege of application of the insurance proceeds collateral hereunder);

(bb) Borrower shall proceed with the repair and restoration of the Improvements as nearly as possible to the condition the Improvements were in immediately prior to such fire or other casualty promptly after the insurance claims are settled;

(cc) no lease demising more than twenty five percent (25%) of the net rentable area of the Improvements (a "Key Lease") has been terminated by reason of such casualty;

(dd) the loan to value ratio of the restored Improvements as estimated in Lender's sole discretion, absent manifest error, does not exceed the loan to value ratio as of the date hereof, or, if lower, the loan to value ratio immediately prior to the date of the casualty;

(ee) the Net Proceeds, together with additional funds provided by Borrower if necessary, are sufficient to reconstruct or restore the Improvements according to plans and specifications approved by Lender or its Inspecting Engineer (as hereinafter defined), which approval shall not be unreasonably withheld, conditioned or delayed if such plans and specifications substantially conform to the plans for the existing Improvements and which plans and specifications shall comply in all material respects with applicable statutes, laws, ordinances, orders, rules or regulations of any governmental or quasi-governmental authorities or agencies having jurisdiction over Borrower and/or the Mortgaged Property or any portion thereof (including, but not limited to, those relating to building or zoning regulations, parking requirements, environmental laws, and handicapped persons laws or regulations, including specifically, but not limited to, provisions of the Americans with Disabilities Act or The Fair Housing Act, as applicable), any restrictive covenants or other Permitted Title Exceptions, any orders, rules, and regulations of any regulatory, licensing, accrediting, insurance underwriting or rating organization, or other body exercising similar functions having jurisdiction over Borrower and/or the Mortgaged Property, and policies of insurance at any time in force with respect to the Mortgaged Property (collectively, "Applicable Requirements"), and

(ff) Lender has determined that all approved restoration work can be completed no later than one hundred eighty (180) days prior to the maturity of the Note or by such earlier date as may be required under the Leases or pursuant to Applicable Requirements.

(ii) Upon satisfaction of each of the provisions of subsection 1.3(c)(i), the Net Proceeds will be disbursed by Lender to Borrower to pay for the costs of repair and restoration of the Improvements in the manner hereinafter set forth. The Net Proceeds shall be held by Lender in escrow until expended in connection with the repair and restoration of the Improvements, it being agreed that any Net Proceeds so held by Lender may be commingled with the general funds of Lender, shall not bear interest (except only if and to the extent required under Applicable Requirements), and shall constitute additional security for the payment of the Debt. The Net Proceeds shall be paid by Lender to, or as directed by, Borrower from time to time during the course of the repair and restoration (and may, if the insurance company requires direct payment to the subcontractors and service providers actually performing the restoration work, be paid directly to such subcontractors and service providers), upon receipt of evidence satisfactory to Lender that:

(aa) all materials installed and work and labor performed (except to the extent that they are to be paid for out of the requested payment) in connection with the repair and restoration have been paid for in full;

(bb) there exists no notice of intention, mechanics or other liens and encumbrances on the Premises and Improvements arising out of the repair and restoration, other than any required notice that must be filed by contractors, subcontractors or material suppliers engaged by Borrower or the contractor or other construction team engaged by Borrower prior to commencement of work or, as applicable, under the applicable State Construction Registry (SCR), and which do not indicate any default in payment under any applicable contract, and other than liens where Borrower has tendered the amount due under the contract and the lien claim has been adequately bonded over, and

(cc) the balance of the Net Proceeds plus the balance of any deficiency deposits made by Borrower pursuant to the provisions of this paragraph hereinafter set forth shall be sufficient to pay in full the balance of the cost of the repair and restoration.

The repair and restoration shall be done and completed by Borrower in an expeditious and diligent fashion and in compliance with all Applicable Requirements in all material respects (and in any respect required by the applicable party with authority to enforce such Applicable Requirement), and all plans and specifications required in connection with the repair and restoration shall be subject to review and reasonable approval in all respects by an independent inspecting engineer selected by Lender (the "Inspecting Engineer"). All costs and expenses actually incurred by Lender in connection with making the Net Proceeds available for the repair and restoration, including, without limitation, an administrative fee of \$500 for each advance, reasonable counsel fees, reasonable travel fees and the Inspecting Engineer's reasonable fees incurred by Lender, shall be paid by Borrower. In no event shall Lender be obligated to make disbursements of the Net Proceeds in excess of an amount equal to the costs actually incurred for work in place as part of the repair and restoration, as certified by the Inspecting Engineer, minus 10% of such costs (the "Retainage"), unless Lender, at the time of such casualty, agrees, in Lender's sole discretion, to a lesser percentage as shall be provided in the general construction contract obtained by Borrower for the repair and restoration of the Improvements. Lender shall not be obligated to make disbursements of the Net Proceeds more than once every thirty (30) days. The Retainage shall not be released until the Inspecting Engineer certifies that the repair and restoration have been completed in all material respects in accordance with the provisions of Section 1.3, and Lender receives evidence reasonably satisfactory to Lender that the costs of the repair and restoration have been paid in full or will be paid in full out of the Retainage. If at any time the Net Proceeds, or the undisbursed balance thereof, shall not, in the reasonable opinion of Lender, be sufficient to pay in full the balance of the costs which will be incurred in connection with the completion of the repair and restoration, Borrower shall deposit the deficiency with Lender before any further disbursement of the Net Proceeds shall be made, which deficiency deposit may be commingled with the general funds of Lender, shall not bear interest (except only if and to the extent required under Applicable Requirements) and shall be disbursed for costs actually incurred in connection with the repair and restoration on the same conditions applicable to the Net Proceeds. Any such deficiency deposit until disbursed pursuant to this paragraph shall constitute additional security for the payment of the Debt.

(d) All insurance proceeds received by Lender and not required to be disbursed for the repair and restoration pursuant to the provisions of this Section 1.3 may be retained and applied by Lender toward the payment of the Debt whether or not then due and payable in such priority and proportions as Lender in its discretion shall deem proper (without payment of the Prepayment Premium, as such term is defined in the Note) or, at the discretion of Lender, the same may be paid, either in whole or in part, to Borrower for such purposes as Lender shall designate. If Lender shall receive and retain such insurance proceeds, the lien of this Instrument shall be reduced only by the amount thereof received and retained by Lender and actually applied by Lender in reduction of the Debt (without payment of the Prepayment Premium).

1.4 Payment of Taxes, etc.

(a) Borrower shall pay (or cause to be paid) all real and personal property taxes, assessments, water rates, sewer rents and other charges, including vault charges and license fees for the use of vaults, chutes and similar areas adjoining the Premises, and non-governmental assessments pursuant to any recorded declaration of covenants, conditions, and restrictions or similar document, now or hereafter levied, imposed or assessed against the Premises and Improvements (collectively, the "Taxes") prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof, and, in the absence of such timely payment, Lender in its sole discretion, may, but shall not be obligated to, pay same (all such payments to be secured hereby in accordance with Section 2.7 hereof), and Borrower shall reimburse Lender within ten (10) days after demand for such expenditures. Borrower shall deliver to Lender, within thirty (30) days after payment, receipts, bills, canceled checks or other evidence reasonably satisfactory to Lender evidencing the payment of the Taxes prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof.

(b) After prior notice to Lender, in the case of any material item, Borrower, at its own expense, may contest by appropriate legal proceeding, promptly initiated and conducted in good faith and with due diligence, the amount or validity or application in whole or in part of any of the Taxes, provided that (i) no uncured Default or Event of Default then exists under the Note or this Instrument (and if an Event of Default shall exist under the Note or this Instrument at such time, Borrower may cure such Event of Default in order to satisfy such condition precedent to the privilege of contesting such amounts hereunder), (ii) such proceeding shall suspend the collection of the Taxes from Borrower and from the Mortgaged Property or the Taxes shall have been paid in full subject to the contest, (iii) such proceeding shall be permitted under and be conducted in accordance with the provisions of any other instrument to which Borrower or the Mortgaged Property is subject and shall not constitute a default thereunder, (iv) neither the Mortgaged Property nor any part thereof or interest therein will in the reasonable opinion of Lender be in danger of being sold, forfeited, terminated, canceled or lost, (v) either Borrower shall have paid such Taxes in full under appeal in accordance with applicable law, or Borrower shall have set aside adequate reserves for the payment of the Taxes, together with all interest and penalties thereon, and (vi) Borrower shall have furnished such security as may be required in the proceeding, or as may be reasonably requested by Lender to insure the timely payment of any such Taxes, together with all interest and penalties thereon.

1.5 Escrow Fund.

(a) Borrower will pay to Lender on the first day of each calendar month one-twelfth of an amount (the "Escrow Fund") which would be sufficient to pay, on the first day of the month preceding the month in which they become due, the Taxes and the premiums on all Policies (the "Premiums") payable, or reasonably estimated by Lender to be payable, during the ensuing twelve (12) months. Lender will apply the Escrow Fund to the payment of Taxes and the Premiums which are required to be paid by Borrower pursuant to the provisions of this Instrument, and such application to Taxes and Premiums shall be in lieu of Borrower making such payments otherwise required to be paid pursuant to Section 1.4. If the amount of the Escrow Fund shall exceed the amount of the Taxes and the Premiums payable by Borrower pursuant to the provisions of this Instrument, Lender shall, in its discretion, (i) return any excess to Borrower, or (ii) credit such excess against future payments to be made to the Escrow Fund. In allocating such excess, Lender may deal with the person shown on the records of Lender to be the owner of the Premises and Improvements. If the Escrow Fund is not sufficient to pay the Taxes and/or the Premiums, as the same become payable, Borrower shall pay to Lender, upon request, an amount which Lender shall reasonably estimate as sufficient to make up the deficiency. Until expended or applied as above provided, any amounts in the Escrow Fund may be commingled with the general

funds of Lender, shall constitute additional security for the Debt and shall not bear interest (except only if and to the extent required under Applicable Requirements). The collection of such deposits by Lender shall not relieve Borrower of any of the obligations of Borrower under any provision of this Instrument other than Borrower's obligation to pay the Taxes and Premiums pursuant to Section 1.4 to the extent that deposits are made to the Escrow Fund pursuant to this Section 1.5. Provided (i) there are sufficient amounts in the Escrow Fund, (ii) no uncured Default or Event of Default exists under this Instrument and (iii) Lender is not otherwise constrained or prohibited from making such payment, Lender shall pay the Taxes and Premiums as they become due by their respective due dates (the date by which such amounts must be paid and on which such payments become delinquent if not paid).

(b) To the extent permitted by Applicable Requirements, if a Default occurs and is continuing under any of the provisions of this Instrument, Lender shall have the right to apply the balance of any funds deposited with it, or its designee, accumulated to pay Taxes and Premiums, either as a credit against the Debt or to the payment of any other charges payable hereunder.

1.6 Condemnation. Upon obtaining written notice or knowledge of the same, Borrower shall promptly provide notice to Lender of the actual or threatened commencement of any condemnation or eminent domain proceedings and shall deliver to Lender copies of any and all pleadings and papers served in connection with such proceedings. Lender may at its option participate in such proceedings. Notwithstanding any taking by any public or quasi-public authority through eminent domain or otherwise, Borrower shall continue to pay the Debt at the time and in the manner provided for its payment in the Note and this Instrument and the Debt shall not be reduced until any award or payment therefor shall have been actually received and applied by Lender to the discharge of the Debt, which application shall be exclusive of any Prepayment Premium. Lender may apply the entire amount of any such award or payment (without payment of the Prepayment Premium) to the discharge of the Debt whether or not then due and payable in such order, priority and proportions as Lender in its discretion shall deem proper, provided that, if (a) a portion of such award is specifically allocated to pay for the cost of any repairs or restoration necessitated by a partial taking, and (b) each of the provisions of subsection 1.3(c)(i) is satisfied (with references to insurance policies or casualty changed to mean the condemnation documents and the condemnation), such portion of the award will be disbursed by Lender to Borrower to pay for the costs of such repair or restoration in the manner set forth in subsection 1.3(c)(ii) or, as applicable, subsection 1.3(c)(iii) to restore the remaining, untaken portion of the Mortgaged Property, with the remaining amounts applied in reduction of the Debt without the payment of any Prepayment Premium, whether due or not. If Lender receives and retains such award or payment and applies it to the Debt, the lien of this Instrument shall be affected only by a reduction of the amount of said lien by the amount of such award or payment so received and retained by Lender. Borrower shall at its expense file and prosecute its claim or claims for any such award or payment in good faith and with due diligence and cause the same to be collected and paid over to Lender. Borrower hereby irrevocably authorizes and empowers Lender, in the name of Borrower or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claim or claims. Although it is hereby expressly agreed that the same shall not be necessary in any event, Borrower shall, within ten (10) days after demand of Lender, make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning any such award or payment to Lender, free and clear of any encumbrances of any kind or nature whatsoever other than the Permitted Title Exceptions. If the Mortgaged Property is sold, through foreclosure or otherwise, prior to the receipt by Lender of such award or payment, Lender shall have the right, whether or not a deficiency judgment on the Note shall have been sought, recovered or denied, to receive such award or payment, or a portion thereof sufficient to pay the Debt, whichever is less, and Borrower shall pay over to Lender said award or payment as, if and when Borrower receives same, to the extent of any deficiency found to be due upon such sale, with interest thereon, whether or not a deficiency judgment on this Instrument shall have been sought or recovered or denied, and of the reasonable attorneys' fees, costs and disbursements incurred by Lender in connection with the collection of such

award or payment. Lender shall not be limited to the interest paid on the award by the condemning authority and shall be entitled to receive interest on the amount at the Interest Rate (as defined in the Note).

1.7 Leases and Rents. Without limiting the terms of the Assignment of Leases:

(a) Borrower absolutely and irrevocably assigns to Lender the Rents, and Borrower grants to Lender the right to enter upon and to take possession of the Premises and Improvements for the purpose of collecting the same and to let the Premises and Improvements, or any part thereof, and to apply the Rents after payment of all necessary charges and expenses on account of the Debt, reserving only to Borrower the conditional right, as a licensee, to collect, use and enjoy the Rents until a Default shall occur and be continuing hereunder. In exercising such conditional right, Borrower shall be entitled to collect and receive such Rents and agrees to use such Rents in payment of principal and interest becoming due under the Note and in payment of Taxes and Premiums becoming due hereunder, but such right of Borrower shall be automatically revoked upon the occurrence of a Default under the terms of the Note or this Instrument and thereafter during the continuance thereof, Lender may let the Premises and Improvements or any part thereof and may retain and apply the Rents toward payment of the Debt in such order, priority and proportions as Lender, in its discretion, shall deem proper, or toward the operation, maintenance and repair of the Premises and Improvements, and irrespective of whether Lender shall have commenced a foreclosure of this Instrument or shall have applied or arranged for the appointment of a receiver. Lender shall not be obligated to give to Borrower prior notice of such revocation of the right to let and collect the Rents.

(b) In addition to the rights which Lender may have herein, if a Default occurs under this Instrument and thereafter during the continuance thereof, Lender, at its option, may require Borrower during the continuance of such Default to pay monthly in advance to Lender, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupation of such part of the Premises and Improvements as may be in the actual possession of Borrower. Upon default in any such payment, Borrower will vacate and surrender possession of the Premises and Improvements to Lender, or to such receiver, and, in default thereof, Borrower may be evicted by summary proceedings or otherwise. Nothing contained in this paragraph shall be construed as imposing on Lender any of the obligations of the lessor under the Leases, any duty to produce rents from the Premises and Improvements and shall not cause Lender to be a "mortgagee-in-possession" for any purpose prior to Lender taking title to the Premises and Improvements following a foreclosure or deed in lieu of foreclosure. Borrower further agrees that it shall, upon reasonable request, execute, acknowledge and deliver to Lender such further and additional assignments and other instruments as shall be reasonably required for the purpose of assigning the Rents.

1.8 Books and Records.

(a) Borrower will keep and maintain or will cause to be kept and maintained by careful, accurate and well-documented methods acceptable to Lender in its reasonable discretion, consistently applied, proper and accurate books, records and accounts reflecting all of the financial affairs of Borrower and all items of income and expense in connection with the operation of the Mortgaged Property. Lender shall have the right from time to time at all times during normal business hours to examine such books, records and accounts (including, but not limited to, recorded data of any kind or nature, regardless of the medium of recording, including software, writings, plans, specifications and schematics) at the office of Borrower or such other person maintaining such books, records and accounts and to make copies or extracts thereof as Lender shall desire; provided, however, so long as there is no uncured Default or Event of Default, Borrower may require that Lender provide Borrower with at least 24

hours advance telephonic notice of such inspection of such books and records before Lender begins such inspection of such books and records.

(b) Borrower will furnish Lender by April 1 of each calendar year with:

(i) a complete executed copy of an annual financial statement prepared in accordance with Generally Accepted Accounting Principles (provided, however, that if Borrower has not used Generally Accepted Accounting Principles in the financial reports delivered to Lender in connection with the application for the Loan, then, in lieu thereof, such statements for that Borrower shall be made in accordance with sound federal income tax accounting principles, consistently applied, with such exception applicable only to such Borrower existing as of the date hereof, and not any replacement that may be approved by Lender) on a cash basis certified by Borrower to be true, accurate and complete, covering the operation of the Mortgaged Property for its immediately preceding fiscal year and containing a balance sheet, income statements, cash flow statements, operating statements and shall otherwise be in form and substance reasonably satisfactory to Lender;

(ii) a complete executed copy of an annual financial statement of Borrower, each Guarantor and Responsible Party that is an entity for the prior calendar year, prepared in accordance with Generally Accepted Accounting Principles (provided, however, that if a Guarantor or Responsible Party has not used Generally Accepted Accounting Principles in the financial reports delivered to Lender in connection with the application for the Loan, then, in lieu thereof, such statements for that Guarantor or Responsible Party shall be made in accordance with sound federal income tax accounting principles, consistently applied, with such exception applicable only to such Guarantor and Responsible Party existing as of the date hereof, and not any replacement that may be approved by Lender) certified by such party to be true, accurate and complete, and containing a fully itemized statement of profit and loss and of surplus and a balance sheet, and shall otherwise be in form and substance reasonably satisfactory to Lender, and personal financial statements of each Responsible Party that is an individual in form and substance reasonably satisfactory to Lender;

(iii) a complete and detailed leasing status and rent roll report with respect to the Improvements, which leasing report shall also include, by way of illustration only, a list of current tenants, space occupied, base rent, additional rent, lease concessions, commencement and expiration dates, security deposit amounts (and type of deposit), renewal and/or purchase options and leasing commission obligations and shall otherwise be in form and substance reasonably satisfactory in all respects to Lender;

(iv) a list of every person or entity that directly or indirectly owns any interest in Borrower, including, if and to the extent applicable on account of any changes in the ownership of Borrower (which must be in full compliance with the Loan Documents, including, but not limited to, Section 1.9 hereof), an update of the information referenced in Paragraph 8 of the Closing Certification; for individuals, Lender may ask for the name, address, date of birth, and taxpayer identification or other identification number that will allow it or its agents to identify the individual (Lender may also ask to see or retain copies of individuals' driver's licenses or other identifying documents), and for corporations or other legal entities, Lender may ask for documentation relating to ownership and control, significant investors, and corporate structure as a means to identify relevant parties and meet its obligations under Federal law; and

(v) A schedule showing Borrower's tax basis in the Mortgaged Property and the distribution of economic interests in the Mortgaged Property.

(said items in clauses (i), (ii), (iii), (iv) and (v) being referred to as the "Reports"). If Borrower fails to provide any Report by such deadline, and continues to fail to deliver such Report thereafter within thirty (30) days after a written request by Lender after the due date for such Report under this Section 1.8(b), Borrower shall pay Lender \$5,000 for such Report not timely delivered.

(c) Borrower shall furnish to Lender, within ten (10) days after request, such further detailed financial and other information (including, but not limited to, financial statements) as may be reasonably requested by Lender with respect to the Mortgaged Property and Borrower, any Guarantor or Responsible Party or any affiliate of, or entity controlled by, Borrower, any Guarantor or Responsible Party as of a date not earlier than that specified by Lender in such request.

1.9 Transfer or Encumbrance of the Mortgaged Property.

(a) Without, in each and every case below, the prior written consent of Lender in each instance, and which consent in any and all circumstances may be withheld in the sole and absolute discretion of Lender, it shall be a Default if any of the following occur (any of the following, a "Transfer Event"):

(i) The Mortgaged Property, or any part of the Mortgaged Property, or any interest of any nature whatsoever therein, shall in any manner be further encumbered (excluding a mechanic's lien which is removed prior to becoming a Default under Section 2.1(k) below), mortgaged, pledged, conveyed (or conveyed as security title), sold, transferred, assigned, disposed of, partitioned, divested or conveyed, or permitted to be further encumbered, mortgaged, pledged, conveyed (or conveyed as security title), sold, transferred, assigned, disposed of, partitioned, divested or conveyed, in any manner or way, whether voluntary or involuntary;

(ii) Borrower, or any interest of any nature whatsoever in Borrower (whether partnership, limited liability company interest, stock, equity, beneficial, profit, loss or otherwise, it being acknowledged that Borrower is currently a Utah limited liability company and that there would be membership interests in such Utah limited liability company), shall in any manner be further encumbered, mortgaged, pledged, conveyed (or conveyed as security title), sold, transferred, assigned, disposed of, divested or conveyed, or permitted to be further encumbered, mortgaged, pledged, conveyed (or conveyed as security title), sold, transferred, assigned, disposed of, divested or conveyed, in any manner or way, whether voluntary or involuntary;

(iii) The Mortgaged Property or any portion thereof be converted to or operated as a condominium or cooperative form of ownership;

(iv) Any merger, consolidation, liquidation, or dissolution involving Borrower or any Guarantor or Responsible Party (if such Guarantor, if any, or Responsible Party is not an individual person) shall occur, in any manner or way, whether voluntary or involuntary;

(v) If Borrower is a partnership, any general partnership interest in Borrower shall convert to a limited partnership interest, or there shall be any change, removal, or resignation of any general partner of Borrower, in any manner or way, whether voluntary or involuntary;

(vi) Borrower shall (y) obtain any secured or unsecured debt except for customary and reasonable short-term trade payables obtained and repaid in the ordinary course of Borrower's business, or (z) guarantee, or otherwise agree to be liable for (whether conditionally or unconditionally), any obligation of any person or entity.

The provisions of this paragraph shall apply to each and every such further Transfer Event, regardless of whether or not Lender has consented to, or waived by its action or inaction its rights hereunder with respect to, any such previous further Transfer Event, and irrespective of whether such further Transfer Event is voluntary, by reason of operation of law or is otherwise made. For illustration purposes only, a Transfer Event shall be deemed to include: an installment sales contract or agreement whereby Borrower agrees to sell the Mortgaged Property or any part thereof in installments and/or an agreement by Borrower for leasing of all or a substantial part of the Mortgaged Property for other than actual occupancy by a space tenant. Notwithstanding the foregoing, a Transfer of all or a portion of the Mortgaged Property that is required by virtue of a final order in any condemnation or eminent domain proceedings as to which Borrower has complied with all of the terms of this Instrument shall not constitute an Event of Default, nor shall Lender be permitted to change the Loan terms or impose any transfer or similar fee with respect thereto except as permitted under Section 1.6 hereof. Notwithstanding the foregoing, a Lease that has the prior written consent of Lender, either directly pursuant to the prior written consent of Lender or by satisfaction of the conditions with respect to Leases as set forth in the Assignment of Leases, is a Lease that has the prior written consent of Lender, and shall not constitute an Event of Default or a Default.

(b) Notwithstanding the foregoing provisions of Section 1.9(a), and except if Borrower is comprised of any individual persons (and is not an entity such as a limited liability company, corporation or partnership), beneficial interests in Borrower can be transferred (y) for estate planning purposes (including with respect to transfers arising out of death or incapacity, with or without a will) to family members of the holder of such beneficial interests (or a trust for the benefit thereof, or a partnership or limited liability company established for such family members), or (z) otherwise, to other existing holders of beneficial interests in Borrower and/or the beneficial owners thereof, in either case without the prior written consent of Lender, provided (i) no uncured Default or Event of Default then exists under this Instrument or the Loan Documents and (ii) Lender receives true, accurate and complete copies of the documents accomplishing such transfer, together with an updated certification of the ownership of Borrower in accordance with the terms of Section 1.8(b)(iv), within seven (7) days after such transfer, except that as to death or incapacity, a reasonable period, not longer than ninety (90) days. In no event shall any such Transfer Event affect in any respect whatsoever the liability of any of the Responsible Parties with respect to the Loan.

1.10 Maintenance of the Mortgaged Property; Compliance with Laws, Regulations, Covenants and Easements.

(a) Borrower shall cause the Mortgaged Property to be maintained in good condition and repair and in compliance in all material respects with all Applicable Requirements. Borrower will not commit or suffer to be committed any waste, misuse, or deterioration of the Mortgaged Property in any material respect, and Borrower will not abandon the Mortgaged Property. The Improvements and the Equipment shall not be removed, demolished or materially altered (except for normal replacement of the Equipment when worn out or obsolete, with comparable Equipment in a commercially reasonable manner), without the prior written consent of Lender, including, but not limited to, any alteration changing the configuration in any material respect or number of parking spaces comprising a part of the Mortgaged Property; provided that, in connection with Leases approved or deemed approved hereunder, so long as there is then no uncured Default or Event of Default, Lender's consent shall not be required for non-structural tenant improvements that are in accordance with the applicable Lease and Applicable Requirements. Borrower shall promptly repair, replace or rebuild any part of the Mortgaged Property which may be damaged or destroyed by fire or other property hazard or casualty, including but not limited to fire-related water damage, flooding, water intrusion or leaks or water damage from other sources, and any resulting mold (including any fire or other property hazard or casualty for which insurance was not obtained or obtainable) or which may be affected by any taking by any public or quasi-public authority

through eminent domain or otherwise, and shall complete and pay for, within a reasonable time, any structure at any time in the process of construction or repair on the Premises. In such circumstances related to damage or destruction by fire or other property hazard or casualty, the terms of Section 1.3 hereof shall govern the application of insurance proceeds with respect thereto.

(b) Borrower shall promptly comply in all material respects with, all existing and future governmental laws, orders, ordinances, rules and regulations affecting Borrower and the Mortgaged Property, or any portion thereof or the use thereof, including specifically, but not limited to, provisions of the Americans with Disabilities Act or the Fair Housing Act, as applicable. Borrower shall comply in all material respects with the requirements of all, and shall not modify, amend or terminate any, easements and restrictive covenants which from time to time affect the whole or any portion of the Mortgaged Property or the use thereof, without Lender's prior written consent, which, so long as there is no uncured Default or Event of Default hereunder and so long as the change is beneficial to the Mortgaged Property, shall not be unreasonably withheld, conditioned or delayed. Borrower shall also comply in all material respects with the requirements of, and to the extent reasonably within Borrower's control, maintain, preserve, enforce and renew, all rights of way, easements, grants, privileges, licenses, franchises and restrictive covenants which from time to time benefit or pertain to the whole or any portion of the Mortgaged Property, and Borrower shall not modify, amend or terminate, or surrender any of its rights under, any of such rights of way, easements, grants, privileges, licenses, franchises or restrictive covenants, without Lender's prior written consent, which, so long as there is no uncured Default or Event of Default hereunder and so long as the change is beneficial to the Mortgaged Property, shall not be unreasonably withheld, conditioned or delayed. Borrower will not, without obtaining the prior written consent of Lender, initiate, join in or consent to any new private restrictive covenant, zoning ordinance, or other public or private restrictions, limiting or affecting the uses which may be made of the Mortgaged Property or any part thereof.

(c) Subject to the last sentence of this Section 1.10(c), Borrower shall retain a professional property manager reasonably acceptable to Lender for the operation and management of the Mortgaged Property, pursuant to a management agreement reasonably acceptable to Lender at all times while this Instrument is in effect. Pursuant to this Instrument or any additional document required by Lender, any management agreement is hereby assigned to Lender and the rights of the manager thereunder shall be subordinated to the lien of this Instrument and such manager shall consent to such subordination and assignment upon request from Lender. If any change of management or termination or modification of any management contract occurs without Lender's prior written approval, which consent, so long as there is no uncured Default or Event of Default hereunder, shall not be unreasonably withheld, conditioned or delayed, it shall constitute a Default hereunder. Subject to the terms of that certain Subordination Agreement (Property Management Rights) executed by Olive West, LLC ("Manager") and Borrower, in favor of Lender, Lender approves Manager as manager of the Mortgaged Property, so long as no uncured Default or Event of Default exists under this Instrument. So long as no uncured Default or Event of Default exists under this Instrument, Lender approves Borrower as manager of the Mortgaged Property and no written management contract shall be required during the term of such party's management.

1.11 Environmental Provisions.

(a) For the purposes of this paragraph the following terms shall have the following meanings: (i) the term "Hazardous Material" shall mean any material or substance, including but not limited to mold and any other naturally occurring substance, that, whether by its nature or use, is now or hereafter defined as a hazardous waste, hazardous substance, pollutant or contaminant under any Environmental Requirement, or which is, or because of its nature, use, or constituency may be, toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous

and which is now or hereafter regulated under any Environmental Requirement, or which is or contains petroleum, gasoline, diesel fuel or another petroleum hydrocarbon product, (ii) the term "Environmental Requirements" shall collectively mean all present and future laws, statutes, ordinances, rules, regulations, orders, codes, licenses, permits, decrees, judgments, directives or their equivalent of or by any Governmental Authority, including case law and common law, applicable to the Mortgaged Property and relating to or addressing or causing or creating liability arising from the protection of the environment or human health, and (iii) the term "Governmental Authority" shall mean the Federal government, or any state or other political subdivision thereof, or any agency, court or body of the Federal government, any state or other political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions.

(b) Borrower shall comply, and shall use commercially reasonable efforts to cause all tenants or other occupants of the Mortgaged Property to comply, in all material respects with all Environmental Requirements (and in any respect required by the applicable party with authority to enforce such Applicable Requirement), and will not generate, store, handle, process, dispose of, allow the growth of, or otherwise use, and will not authorize or knowingly permit any tenant or other occupant of the Mortgaged Property to generate, store, handle, process, dispose of or otherwise use, Hazardous Materials at, in, on, under or about the Mortgaged Property in a manner that reasonably could lead to the imposition on Borrower, Lender or the Mortgaged Property of any liability or lien of any nature whatsoever under any Environmental Requirement. Notwithstanding the foregoing, Borrower and/or any Tenant or other occupant of the premises shall be permitted to acquire, possess, store, use, apply, and dispose of routine office, cleaning, janitorial, maintenance and other materials and supplies that may be Hazardous Materials if such Hazardous Materials are (1) in only the amounts reasonably necessary to operate the Mortgaged Property (or the permitted uses by a tenant under a Lease) in connection with permitted uses thereof, (2) in compliance with Environmental Requirements in all material respects (and in any respect required by the applicable party with authority to enforce such Applicable Requirement), and (3) have all required permits validly and currently issued (but permits that are not required shall not be required by this requirement). Borrower shall (i) notify Lender promptly in the event of any spill or other release or discovery of any Hazardous Material at, in, on, under or about the Mortgaged Property which is required to be reported to a Governmental Authority under any Environmental Requirement or which reasonably could lead to the imposition on Borrower or Lender of any liability whatsoever, (ii) promptly forward to Lender copies of any notices received by Borrower relating to alleged violations of or potential liability under any Environmental Requirement, (iii) promptly pay when due any fine or assessment against Lender, Borrower or the Mortgaged Property relating to any Environmental Requirement, and (iv) promptly repair, remediate, or otherwise address any leaks, flooding, other moisture intrusion, or other events or conditions that reasonably could lead to the growth of mold or presence of other potentially toxic substances within the Mortgaged Property. In such circumstances related to damage or destruction by spill or other release, the terms of Section 1.3 hereof shall govern the application of insurance proceeds with respect thereto. If at any time it is determined that the operation or use of the Mortgaged Property violates any applicable Environmental Requirement or that there are Hazardous Materials located at, in, on, under or about the Mortgaged Property which, under any Environmental Requirement, require special handling in collection, storage, treatment or disposal, or any other form of cleanup or corrective action, Borrower shall, within thirty (30) days after receipt of notice thereof from any Governmental Authority or from Lender, take, at Borrower's sole cost and expense, such actions as may be reasonably necessary to fully comply in all respects with all Environmental Requirements, provided, however, that if such compliance cannot reasonably be completed within such thirty (30) day period, Borrower shall commence such necessary action within such thirty (30) day period and shall thereafter diligently and expeditiously proceed to fully comply in all respects and in a timely fashion with all Environmental Requirements.

(c) If Borrower fails to timely take, or to diligently and expeditiously proceed to complete in a timely fashion, any such action described in Section 1.11(b) above, Lender may, in its sole and absolute discretion, make advances or payments toward the performance or satisfaction of the same, but shall in no event be under any obligation to do so. All sums so advanced or paid by Lender (including, without limitation, reasonable counsel and consultant fees and expenses, investigation and laboratory fees and expenses, and fines or other penalty payments) and all sums advanced or paid in connection with any judicial or administrative investigation or proceeding relating thereto, will within ten (10) days after demand, become due and payable from Borrower and shall bear interest at the Default Rate (as hereinafter defined) from the date any such sums are so advanced or paid by Lender until the date any such sums are repaid by Borrower to Lender. Borrower will execute and deliver, promptly upon request, such instruments as Lender may reasonably deem useful or necessary to permit Lender to take any such action, and such additional notes and mortgages, as Lender may reasonably require to secure all sums so advanced or paid by Lender. If a lien is filed against the Mortgaged Property by any Governmental Authority resulting from the need to expend or the actual expending of monies arising from an action or omission, whether intentional or unintentional, of Borrower or for which Borrower is responsible, resulting from the releasing, spilling, leaking, leaching, pumping, emitting, pouring, emptying or dumping of any Hazardous Material into the waters or onto land located within or without the State where the Mortgaged Property is located, then Borrower will, within thirty (30) days from the date that Borrower is first given notice that such lien has been placed against the Mortgaged Property (or within such shorter period of time as may be specified by Lender if such Governmental Authority has commenced steps to cause the Mortgaged Property to be sold pursuant to such lien), either (i) pay the claim and remove the lien, or (ii) furnish a cash deposit, bond, or such other security with respect thereto as is reasonably satisfactory in all respects to Lender and is sufficient to effect a complete discharge of such lien on the Mortgaged Property.

(d) Lender may, at its option, at intervals of not more than once per year, or more frequently if Lender reasonably believes that a Hazardous Material or other environmental condition violates or threatens to violate any Environmental Requirement or causes or could cause personal or bodily injuries to, or give rise to claims (including but not limited to wrongful death) by persons inside the Mortgaged Property, cause an environmental audit of the Mortgaged Property or portions thereof to be conducted to confirm Borrower's compliance with the provisions of this paragraph, and Borrower shall cooperate in all reasonable ways with Lender in connection with any such audit. If such audit discloses that a violation of an Environmental Requirement exists in any material respect, Borrower shall pay all reasonable costs and expenses actually incurred in connection with such audit; otherwise, the costs and expenses of such audit shall, notwithstanding anything to the contrary set forth in this paragraph, be paid by Lender.

(e) If this Instrument is foreclosed, or if the Mortgaged Property is sold pursuant to the provisions of this Instrument, or if Borrower tenders a deed or assignment in lieu of foreclosure or sale, Borrower shall deliver the Mortgaged Property to the purchaser at foreclosure or sale or to Lender, its nominee, or wholly-owned subsidiary, as the case may be, in a condition that complies in all material respects with all Environmental Requirements.

1.12 Performance of Other Agreements. Borrower shall observe and perform each and every term to be observed or performed by Borrower pursuant to the terms of any agreement or recorded instrument affecting or pertaining to the Mortgaged Property.

1.13 Other Security for the Debt. Borrower shall observe and perform all of the terms, covenants and provisions contained in the Note and in all other mortgages and other instruments or documents evidencing, securing or guaranteeing payment of the Debt, in whole or in part, or otherwise executed and delivered in connection with the Note, this Instrument or any other Loan Documents.

1.14 Right of Entry. Lender and its agents shall have the right to enter and inspect the Mortgaged Property at all reasonable times, subject to the rights of tenants of the Mortgaged Property (all of which leases shall permit inspection of the demised premises thereunder); provided, however, so long as there is no uncured Default or Event of Default hereunder, Borrower may require, prior to any inspection of any portion of the Mortgaged Property that is not open to the general public, that Lender provide one (1) business day's advance notice (telephonically or in writing) of such inspection.

1.15 Security Agreement.

(a) This Instrument constitutes both a real property mortgage and a "security agreement," within the meaning of the Uniform Commercial Code, and the Mortgaged Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Borrower in the Mortgaged Property. Borrower by executing and delivering this Instrument has granted to Lender, as security for the Debt, a security interest in the Equipment and hereby pledges to Lender any and all monies now or hereafter held by Lender or Trustee as additional security for the Debt until expended or applied as provided in this Instrument. If a Default occurs and is continuing under the Note, this Instrument or the Loan Documents, Lender or Trustee, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the Uniform Commercial Code, including, without limiting the generality of the foregoing, the right to take possession of the Equipment or any part thereof, and to take such other measures as Lender or Trustee may reasonably deem necessary for the care, protection and preservation of the Equipment. Upon request or demand of Lender or Trustee, Borrower shall at its expense assemble the Equipment and make it available to Lender or Trustee at a convenient place acceptable to Lender or Trustee. Borrower shall pay to Lender or Trustee within ten (10) days after demand any and all expenses, including reasonable legal expenses and reasonable attorneys' fees, actually incurred or paid by Lender or Trustee in protecting its interest in the Equipment and in enforcing its rights hereunder with respect to the Equipment. Any notice of sale, disposition or other intended action by Lender or Trustee with respect to the Equipment sent to Borrower in accordance with the provisions of this Instrument at least seven (7) days prior to the date of any such sale, disposition or other action, shall constitute reasonable notice to Borrower, and the method of sale or disposition or other intended action set forth or specified in such notice shall conclusively be deemed to be commercially reasonable within the meaning of the Uniform Commercial Code unless objected to in writing by Borrower within five (5) days after receipt by Borrower of such notice. The proceeds of any sale or disposition of the Equipment, or any part thereof, may be applied by Lender to the payment of the Debt in such order, priority and proportions as Lender in its discretion shall deem proper.

(b) Borrower warrants that (i) Borrower's (that is, "Debtor's") name, identity or corporate structure and residence or principal place of business are as set forth in Section 1.15(c) hereof; (ii) Borrower (that is, "Debtor") has been using or operating under said name, identity or corporate structure without change for the time period set forth in Section 1.15(c) hereof; and (iii) the location of the collateral is upon the Premises. Borrower covenants and agrees that Borrower will furnish Lender with notice of any change in the matters addressed by clauses (i) or (iii) of this Section 1.15(b) within thirty (30) days after the effective date of any such change and Borrower will promptly execute any financing statements or other instruments deemed necessary by Lender to prevent any filed financing statement from becoming misleading or losing its perfected status.

(c) The information contained in this Section 1.15(c) is provided in order that this Instrument shall, to the extent permitted by applicable law, comply with the requirements of the Uniform Commercial Code, as enacted in the State of Utah, for instruments to be filed as financing statements, including as a fixture filing. This instrument constitutes a financing statement filed as a fixture filing in

the records of Salt Lake County, Utah with respect to any and all fixtures included within the term "Mortgaged Property" as used herein and with respect to any goods or other personal property that may now be or hereafter become such fixtures. The names of the "Debtor" and the "Secured Party," the identity or corporate structure (including type of organization, jurisdiction of organization, and organizational identification number) and residence or principal place of business of "Debtor," and the time period for which "Debtor" has been using or operating under said name and identity or corporate structure without change, are as set forth in Schedule 1 of Exhibit C attached hereto and by this reference made a part hereof; the mailing address of the "Secured Party" from which information concerning the security interest may be obtained, and the mailing address of "Debtor," are as set forth in Schedule 2 of said Exhibit C attached hereto; and a statement indicating the types, or describing the items, of collateral is set forth hereinabove.

1.16 Concerning the Trustee. Trustee shall be under no duty to take any action hereunder except as expressly required hereunder or by law, or to perform any act which would involve Trustee in any expense or liability or to institute or defend any suit in respect hereof, unless properly indemnified to Trustee's reasonable satisfaction. Trustee, by acceptance of this Instrument, covenants to perform and fulfill the trusts herein created, being liable, however, only for gross negligence or willful misconduct, and hereby waives any statutory fee and agrees to accept reasonable compensation, in lieu thereof, for any services rendered by Trustee in accordance with the terms hereof. Trustee may resign at any time upon giving thirty (30) days' notice to Borrower and to Lender. Lender may remove Trustee at any time or from time to time and select a successor trustee. In the event of the death, removal, resignation, refusal to act, or inability to act of Trustee, or in its sole discretion for any reason whatsoever Lender may, without notice and without specifying any reason therefor and without applying to any court, select and appoint a successor trustee, by a deed recorded wherever this Instrument is recorded and all powers, rights, duties and authority of Trustee, as aforesaid, shall thereupon be assigned to such successor trustee. Trustee shall not be required to give bond for the faithful performance of the duties of Trustee hereunder unless required by Lender.

1.17 Powers of Lender and Trustee. From time to time, without affecting the personal liability of any person for payment of any of the Debt or performance of the obligations secured hereby, Lender may, without notice, release the lien of this Instrument with respect to all or any part of the Premises; consent to the making of any survey or plat thereof; join in granting any extension agreement or any agreement subordinating the lien or charge hereof. Trustee or Lender may from time to time apply to any court of competent jurisdiction for aid and direction in the execution of the trusts hereunder and the enforcement of the rights and remedies available confirming or approving acts in the execution of said trusts and the enforcement of said remedies. Except as and to the extent required by law, Trustee has no obligation to notify any party of a pending sale or any action or proceeding unless held or commenced and maintained by Trustee under this Instrument. Borrower hereby agrees to indemnify Trustee and Lender against all losses, claims, demands and liability which either may incur, suffer, or sustain in the execution of the trust or trusts created hereunder or in the performance of any action required or permitted hereunder or by law; provided, however, the foregoing indemnity will expressly exclude any losses, claims, demands and liability which Trustee or Lender may incur by reason of its gross negligence or willful misconduct.

1.18 Trustee's Fees. Borrower shall pay all reasonable costs and expenses actually incurred by Trustee and Trustee's agent and counsel in connection with the performance by Trustee of Trustee's duties hereunder and all such costs, fees and expense shall be secured by this Instrument.

ARTICLE II - DEFAULTS AND REMEDIES

2.1 Default. The term “Event of Default”, wherever used in this Instrument, shall mean any one or more of the following events, without regard to any grace period or notice and cure period provided or referenced below with respect to any such events, and the term “Default”, wherever used in this Instrument, shall mean any one or more of the following events, after expiration of any applicable grace period or notice and cure period provided or referenced below with respect to any such events. The Debt shall become immediately due and payable at the option of Lender upon the occurrence and during the continuance of any one or more of the following events, whether such occurrence shall be voluntary, involuntary, by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any rule or regulation of any administrative or governmental body:

(a) if any scheduled monthly payment under the Note is not paid within ten (10) days after the due date or if the Debt is not paid in full on maturity;

(b) except as and to the extent permitted under Section 1.5(a) hereof, if Borrower shall fail to pay when due (prior to the date upon which any fine, penalty, interest or cost may be added thereto or imposed by law for the nonpayment thereof) any installment of any assessment against the Premises and Improvements for local improvements heretofore or hereafter laid, which assessment is or may become payable in annual or periodic installments and is or may become a lien on the Mortgaged Property;

(c) if any Federal tax lien is filed against Borrower, any Guarantor or Responsible Party or the Mortgaged Property and the same is not discharged of record (by bonding or otherwise) within thirty (30) days after the same is filed;

(d) except as expressly permitted under the Loan Documents, if without the prior written consent of Lender (which consent in any and all circumstances may be withheld in the sole and absolute discretion of Lender), any Transfer Event occurs;

(e) if Borrower shall fail to comply with any requirement or order or notice of violation of law or ordinance issued by any Governmental Authority within three (3) months from the issuance thereof, or the time period set forth therein, whichever is less;

(f) if the Policies are not assigned to Lender or kept in full force and effect, or if the Policies are not delivered to Lender within five (5) days of Lender’s request;

(g) if any representation or warranty of Borrower, any Guarantor or any Responsible Party made herein or in any Loan Document, or in any certificate, report, financial statement or other instrument furnished in connection with the making of the Note, this Instrument or any such Loan Document, shall prove false or misleading in any material respect or shall have omitted any substantial contingent or unliquidated liability or claim in any material respect;

(h) if Borrower, any Guarantor, any Responsible Party or (in the event Borrower is now or hereafter a partnership) any general partner of Borrower (each of whom is hereinafter in this subparagraph referred to as an “Obligor”) shall commence any case, proceeding or other action relating to it in bankruptcy or seeking reorganization, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts, or for any other relief, under bankruptcy, insolvency, reorganization, liquidation, dissolution, winding-up, arrangement, composition, readjustment of debt or other similar act or law of any jurisdiction, domestic or foreign, now or hereafter existing; or if an Obligor shall apply for a receiver, custodian or trustee of it or for all or

a substantial part of its property; or if an Obligor shall make an assignment for the benefit of creditors; or if an Obligor shall be unable to, or shall admit in writing the inability to pay its debts generally as they become due; or if an Obligor shall take any action indicating its consent to, approval of, acquiescence in, or in furtherance of, any of the foregoing; or if any case, proceeding or other action against an Obligor shall be commenced in bankruptcy or seeking reorganization, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts, or any other relief, under any bankruptcy, insolvency, reorganization, liquidation, dissolution, arrangement, composition, readjustment of debt or other similar act or law of any jurisdiction, domestic or foreign, now or hereafter existing, and such condition shall continue for a period of sixty (60) days undismissed, undischarged or unbonded; or if a receiver, custodian or trustee of an Obligor or for all or a substantial part of its property shall be appointed and such condition shall continue for a period of sixty (60) days undismissed, undischarged or unbonded; or if a warrant of attachment, execution or distraint, or similar process, shall be issued against any substantial part of the property of an Obligor and such condition shall continue for a period of sixty (60) days undismissed, undischarged or unbonded;

(i) if Borrower or any other Obligor shall be in Default (that is, after expiration of any applicable grace period or notice and cure period with respect to such event) under the Note, or under any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt, in whole or in part, or otherwise executed and delivered in connection with the Note, this Instrument or the loan evidenced and secured thereby or hereby;

(j) if Borrower or any other Obligor shall be in Default (that is, after expiration of any applicable grace period or notice and cure period with respect to such event) under any mortgage or deed of trust covering any part of the Premises and Improvements whether superior or inferior in lien to this Instrument, and including, without limitation, any such mortgage or deed of trust now or hereafter held by Lender;

(k) if the Mortgaged Property shall become subject (i) to any tax lien, other than a lien for local real estate taxes and assessments not due and payable, or (ii) to any lis pendens, notice of pendency, stop order, notice of intention to file mechanic's or materialman's lien, mechanic's or materialman's lien or other lien of any nature whatsoever and the same shall not either be discharged of record (by bonding or otherwise) or in the alternative insured over to the satisfaction of Lender by the title company insuring the lien of this Instrument within a period of thirty (30) days after Borrower has actual notice of the same being filed or recorded (or Lender has delivered to Borrower written notice of the same being filed or recorded), and irrespective of whether the same is superior or subordinate in lien or other priority to the lien of this Instrument and irrespective of whether the same constitutes a perfected or inchoate lien or encumbrance on the Premises and Improvements or is only a matter of record or notice;

(l) if Borrower shall fail to maintain its business in good standing under the applicable regulations of the agencies or governmental authorities having jurisdiction thereof, or shall fail to receive and maintain whatever licenses are required, or shall be required, for Borrower's ownership, maintenance and operation of the Premises and Improvements, and any such failure is not cured within thirty (30) days after Borrower receives notice of such failure; or

(m) except for specific defaults set forth above in this Section 2.1, if Borrower shall continue to be in default under any of the *other* terms, covenants or conditions of this Instrument for ten (10) days after notice from Lender in the case of any default which can be cured by the payment of a sum of money or for thirty (30) days after notice from Lender in the case of any other default, provided that if such default cannot reasonably be cured within such thirty (30) day

period and Borrower shall have commenced to cure such default within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as it shall require Borrower in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of ninety (90) days.

2.2 Rights and Remedies of Lender and/or Trustee. At any time after the occurrence of a Default hereunder and during the continuance thereof, Lender and Trustee, as applicable, shall have all of the rights and remedies available under applicable law, including, by way of illustration and not of limitation, the right:

- (i) to declare the Debt immediately due and payable;
- (ii) to commence and maintain an action or actions in any court of competent jurisdiction to foreclose this Instrument and the security interest granted herein, or to obtain specific enforcement of the covenants of Borrower hereunder, and Borrower agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy, and that for the purposes of any action brought hereunder, Borrower waives the defenses of laches and any statute of limitations;
- (iii) to enter upon, possess, manage and operate the Mortgaged Property or any part thereof, to make, terminate, enforce or modify the Leases upon such terms and conditions as Lender deems proper, and to make repairs, alterations and improvements to the Mortgaged Property necessary in Lender's judgment to protect or enhance the security hereof;
- (iv) to enforce and realize upon, or waive, the security hereunder and any other security now or hereafter held by Lender in such order and manner as Lender may in its sole discretion determine, whether concurrently or successively and in one or several consolidated independent judicial actions or lawfully taken non-judicial proceedings, or both;
- (v) to foreclose this Instrument, and in any such action qualify for the appointment of a receiver of the Mortgaged Property either before or after a foreclosure sale, without notice and without regard to the solvency or insolvency of Borrower at the time of the application for such receiver, and without regard to the then value of the Mortgaged Property, and Lender or any holder of the Note may be appointed as such receiver or as Lender in possession. The receiver or Lender in possession shall have the power to collect the Rents during the pendency of such foreclosure action, and in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during all other times, when Borrower, except for the intervention of the receiver or Lender in possession, would be entitled to collect such Rents, together with all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property during the whole of said period;
- (vi) to exercise all rights, powers and remedies, if any, described under Article IV of this Instrument;
- (vii) to enforce this Instrument in any other manner permitted under applicable law or to exercise any other remedy now or hereafter existing in equity, at law, by virtue of statute or otherwise, as provided in Utah; and

(viii) This Instrument shall be effective as a mortgage as well as a deed of trust and upon the occurrence of a Default and during the continuance thereof may be foreclosed as to any of the Mortgaged Property in any manner permitted by the laws of the State of Utah or of any other state in which any part of the Mortgaged Property is situated, and any foreclosure suit may be brought by Trustee or by Lender. In the event a foreclosure hereunder shall be commenced by Trustee, or his substitute or successor, Lender may at any time before the sale of the Mortgaged Property direct the said Trustee to abandon the sale, and may then institute suit for the collection of the Note and the other Debt, and for foreclosure of this Instrument. It is agreed that if Lender should institute a suit for the collection of the Note or any other Debt and for the judicial foreclosure of the lien evidenced by this Instrument, Lender may at any time before the entry of a final judgment in said suit dismiss the same, and require Trustee, his substitute or successor, to sell the Mortgaged Property in accordance with the provisions of this Instrument.

2.3 Appointment of Receiver. The holder of this Instrument, in any action to foreclose it, shall be entitled to the appointment of a receiver, subject to applicable law with respect to the appointment thereof. In addition, upon the actual or threatened waste to any part of the Mortgaged Property or upon the occurrence of any Default hereunder and during the continuance thereof, the holder of this Instrument shall be at liberty, without notice, to apply for the appointment of a receiver of the Rents, and shall be entitled to the appointment of such receiver as a matter of right, without regard to the value of the Mortgaged Property as security for the Debt, or the solvency or insolvency of any person then liable for the payment of the Debt, subject to applicable law with respect to the appointment thereof.

2.4 Sale of Mortgaged Property. In connection with any foreclosure, the Mortgaged Property, or any interest therein, may, at the discretion of Lender or Trustee, at the direction of Lender, be sold in one or more parcels or in several interests or portions and in any order or manner.

2.5 Recovery of Sums Required To Be Paid. Lender or Trustee shall have the right from time to time to take action to recover any sum or sums which constitute a part of the Debt as the same become due, without regard to whether or not the balance of the Debt shall be due, and without prejudice to the right of Lender or Trustee thereafter to bring an action of foreclosure, or any other action, for a default or defaults by Borrower existing at the time such earlier action was commenced.

2.6 Actions and Proceedings. Lender and Trustee shall have the right to appear in and defend any action or proceeding brought with respect to the Mortgaged Property and to bring any action or proceeding, in the name and on behalf of Borrower, which Lender or Trustee, in its discretion, feels should be brought to protect Lender's and Trustee's interest in the Mortgaged Property.

2.7 Right to Cure Defaults. Upon the occurrence of any Default hereunder and during the continuance thereof, Lender or Trustee may, at its discretion, remedy the same and for such purpose shall have the right to enter upon the Mortgaged Property or any portion thereof without thereby becoming liable to Borrower or any person in possession thereof holding under or claiming under or through Borrower, it being understood and agreed that nothing contained in this Instrument shall in any manner obligate Lender or Trustee to remedy any Default hereunder. If Lender or Trustee shall remedy such Default or appear in, defend, or bring any action or proceeding to protect Lender's or Trustee's interest in the Mortgaged Property or to foreclose this Instrument or collect the Debt, the costs and expenses thereof (including reasonable attorneys' fees to the extent permitted by law), with interest as provided in this paragraph, shall be paid by Borrower to Lender or Trustee within ten (10) days after demand. All such costs and expenses actually incurred by Lender or Trustee in remedying such Default or in appearing in, defending, or bringing any such action or proceeding shall be paid by Borrower to Lender or Trustee within ten (10) days after demand, with interest (calculated at the Default Rate, as defined in the Note), provided, however, that the Default Rate shall in no event exceed the maximum interest rate which

Borrower may by law pay, for the period after notice from Lender or Trustee that such costs or expenses were actually incurred to the date of payment to Lender or Trustee. To the extent any of the aforementioned costs or expenses paid by Lender or Trustee after Default by Borrower shall constitute payment of (i) Taxes, charges or assessments which may be imposed by law upon the Mortgaged Property, (ii) Premiums on insurance policies covering the Mortgaged Property, (iii) expenses actually incurred in preserving and protecting the lien of this Instrument, including, but not limited to, the actually incurred costs and expenses of any litigation to collect the Debt or to prosecute, defend, protect or preserve the rights and the lien created by this Instrument, or (iv) any amount, cost or charge to which Lender or Trustee becomes subrogated, upon payment, whether under recognized principles of law or equity, or under express statutory authority; then, and in each such event, such costs, expenses and amounts, together with interest thereon at the Default Rate, shall be added to the Debt and shall be secured by this Instrument.

2.8 TRIAL BY JURY WAIVER. EACH OF BORROWER AND LENDER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY (EXCEPT ONLY, AT LENDER'S OPTION, IF NECESSARY IN CONNECTION WITH THE ENFORCEMENT OF THE OBLIGATIONS OF BORROWER OR ANY OTHER PARTY AFTER A DEFAULT) IN ANY ACTION, SUIT OR COUNTERCLAIM, WHETHER CONTRACT, TORT OR OTHERWISE ARISING IN CONNECTION WITH, OUT OF OR OTHERWISE RELATING TO THE LOAN, THE NOTE, THIS INSTRUMENT, THE LOAN DOCUMENTS OR ANY ACTS OR OMISSIONS OF LENDER OR BORROWER, OR THEIR RESPECTIVE OFFICERS, EMPLOYEES, DIRECTORS OR AGENTS IN CONNECTION THEREWITH.

2.9 Non-Waiver. The failure of Lender or Trustee to insist upon strict performance of any term of this Instrument shall not be deemed to be a waiver of any term of this Instrument. No delay or omission by Lender or Trustee to exercise any right, power or remedy accruing under this Instrument shall be construed to be a waiver of any default or acquiescence therein. A waiver in one or more instances to exercise any right, power or remedy accruing hereunder shall apply only to the particular instance or instances, and at the particular time or times only, and no such waiver shall be deemed a continuing waiver, but every term, covenant, provision or condition establishing such right, power or remedy shall survive and continue to remain in full force and effect. Borrower shall not be relieved of Borrower's obligation to pay the Debt at the time and in the manner provided for its payment in the Note and this Instrument by reason of: (i) failure of Lender or Trustee to comply with any request of Borrower to take any action to foreclose this Instrument or otherwise enforce any of the provisions hereof or of the Note or any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt or any portion thereof, (ii) the release, regardless of consideration, of the whole or any part of the Mortgaged Property or any other security for the Debt, or (iii) any agreement or stipulation between Lender or Trustee and any subsequent owner or owners of the Mortgaged Property or other person extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Instrument or any other mortgage, instrument or document evidencing, securing or guaranteeing payment of the Debt or any portion thereof, without first having obtained the consent of Borrower, and in the latter event, Borrower shall continue to be obligated to pay the Debt at the time and in the manner provided in the Note and this Instrument, as so extended, modified and supplemented, unless expressly released and discharged from such obligation by Lender in writing. Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate lien, encumbrance, right, title or interest in or to the Mortgaged Property, Lender may release any person at any time liable for the payment of the Debt or any portion thereof or any part of the security held for the Debt and may extend the time of payment or otherwise modify the terms of the Note or this Instrument, including, without limitation, a modification of the interest rate payable on the principal balance of the Note, without in any manner impairing or affecting this Instrument or the lien hereof or the priority of this Instrument, as so

extended and modified, as security for the Debt over any such subordinate lien, encumbrance, right, title or interest. Lender or Trustee may resort for the payment of the Debt to any other security held by Lender in such order and manner as Lender or Trustee, in its discretion, may elect. Lender may take action to recover the Debt, or any portion thereof, or to enforce any covenant hereof without prejudice to the right of Lender or Trustee thereafter to foreclose this Instrument. Lender shall not be limited exclusively to the rights and remedies herein stated but shall be entitled to every additional right and remedy now or hereafter afforded by law or equity. The rights of Lender or Trustee under this Instrument shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others. No act of Lender or Trustee shall be construed as an election to proceed under any one provision herein to the exclusion of any other provision.

2.10 Absolute and Unconditional Obligation. Borrower acknowledges that Borrower's obligation to pay the Debt in accordance with the provisions of the Note and this Instrument is and shall at all times continue to be absolute and unconditional in all respects, and shall at all times be valid and enforceable irrespective of any other agreements or circumstances of any nature whatsoever which might otherwise constitute a defense to the Note or this Instrument or the obligation of Borrower thereunder to pay the Debt or the obligations of any other person relating to the Note or this Instrument or the obligations of Borrower under the Note or this Instrument or otherwise with respect to the Loan. Except as set forth below, Borrower absolutely, unconditionally and irrevocably waives any and all right to assert or interpose any defense (other than the defense of payment or performance, as applicable, in accordance with the Loan Documents), setoff, counterclaim or crossclaim of any nature whatsoever (a "Borrower Claim") with respect to the obligation of Borrower to pay the Debt in accordance with the provisions of the Note or the obligations of Borrower or of any other person or party relating to the Loan Documents or otherwise with respect to the Loan in any action or proceeding (a "Lender Proceeding") brought by Lender to collect the Debt, or any portion thereof, or to enforce, foreclose and realize upon the lien and security interest created by this Instrument or any other document or instrument securing repayment of the Debt. The foregoing sentence shall not alter or diminish the right of Borrower (i) to raise in a Lender Proceeding a defense of payment or performance of the applicable obligation or any compulsory defenses or compulsory counterclaims which, if not raised in the Lender Proceeding, would be forever barred, or (ii) to bring any action or file any suit against Lender with respect to a Borrower Claim, including, but not limited to, any counterclaim or other Borrower Claim such as a defense that is not compulsory as set forth in clause (i) above, in an action separate from a Lender Proceeding.

2.11 Waiver of Statutory Rights. Borrower shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Instrument, but hereby waives the benefit of such laws to the fullest extent that Borrower may do so under applicable law. Borrower for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien of this Instrument and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. Borrower hereby waives for itself and all who may claim through or under it, and to the fullest extent Borrower may do so under applicable law, any and all rights of redemption from sale under any order or decree of foreclosure of this Instrument or granted under any statute now existing or hereafter enacted.

ARTICLE III - MISCELLANEOUS

3.1 Notice. Any notice, request, demand, statement, authorization, approval or consent made hereunder shall be in writing and shall be sent by Federal Express, UPS, Airborne or other reputable nationally recognized overnight courier service, or by postage pre-paid registered or certified mail, return

receipt requested, and shall be deemed given when received or refused (as indicated on the receipt) and addressed as follows:

If to Borrower:

JF Spring Run Partners, LLC
1148 W. Legacy Crossing Blvd., Suite 400
Centerville, UT 84014
Attn: Asset Management / Glenn Girsberger

With a copy to:

Fielding Law
4179 Riverboat Road, Suite 150
Salt Lake City, UT 84123
Attn: Mitchell Fielding, Esq.

If to Lender:

American Memorial Life Insurance Company
c/o Assurant Asset Management
28 Liberty Street
New York, NY 10005
Attn: General Counsel; Loan No. 4041980

With a copy to:

Assurant Asset Management
28 Liberty Street
New York, New York 10005
Attn: Senior Vice President - Mortgages; Loan No. 4041980

With a copy to:

Alston & Bird LLP
One Atlantic Center
1201 West Peachtree Street
Atlanta, Georgia 30309-3424
Attn: Albert E. Bender, Jr.; Loan from American Memorial Life
Insurance Company to JF Spring Run Partners, LLC

Each party to this Instrument may designate a change of address by notice given, as herein provided, to the other party, at least fifteen (15) days prior to the date such change of address is to become effective.

3.2 Waiver of Notice. Borrower shall not be entitled to any notices of any nature whatsoever from Lender except with respect to matters for which this Instrument or the other Loan Documents or non-waivable provisions of applicable law specifically and expressly provides for the giving of notice by Lender to Borrower, and Borrower hereby expressly waives the right to receive any notice from Lender with respect to any matter for which this Instrument or the other Loan Documents does not specifically and expressly provide for the giving of notice by Lender to Borrower.

3.3 Estoppel Certificates. Borrower shall within ten (10) days after request by Lender furnish Lender or any proposed assignee with a statement, duly acknowledged and certified by Borrower, Responsible Party and any Guarantor, setting forth (i) the amount of the original principal amount of the Note, (ii) the unpaid principal amount of the Note, (iii) the rate of interest of the Note, (iv) the terms of payment and maturity date of the Note, (v) the date installments of interest and/or principal were last paid,

(vi) that, except as provided in such statement, there are no defaults or events which with the passage of time or the giving of notice or both, would constitute an Event of Default or Default under the Note or this Instrument, (vii) that the Loan Documents are valid, legal and binding obligations of Borrower and, as applicable, Responsible Party and any Guarantor, and have not been modified or if modified, giving particulars of such modification, (viii) whether any offsets or defenses exist against the obligations secured hereby or set forth in the Loan Documents and, if any are alleged to exist, a detailed description thereof, (ix) that all Leases are in full force and effect and (provided the Mortgaged Property is not a residential multifamily property) have not been modified (or if modified, setting forth all modifications), (x) the date to which the rents thereunder have been paid pursuant to the Leases, (xi) whether or not, to Borrower's actual knowledge, any of the lessees under the Leases are in default under the Leases, and if any of the lessees are in default, setting forth the specific nature of all such defaults, (xii) the amount of security deposits held by Borrower under each Lease and that such amounts are consistent with the amounts required under each Lease, and (xiii) as to any other matters reasonably requested by Lender and reasonably related to the Leases, the obligations secured hereby, the Mortgaged Property or the Loan Documents.

3.4 Changes in Laws Regarding Taxation. In the event of the passage after the date of this Instrument of any law of the State in which the Mortgaged Property is located deducting from the value of real property for the purpose of taxation any lien or encumbrance thereon or changing in any way the laws for the taxation of mortgages or debts secured by mortgages for state or local purposes or the manner of the collection of any such taxes, and imposing a tax, either directly or indirectly, on this Instrument, the Note or the Debt, Borrower shall, if permitted by law, pay any tax imposed as a result of any such law within the statutory period or within fifteen (15) days after demand by Lender, whichever is less, provided, however, that if, in the opinion of the attorneys for Lender, Borrower is not permitted by law to pay such taxes, Lender shall have the right, at its option, to declare the Debt due and payable on a date specified in a prior notice to Borrower of not less than ninety (90) days (and no Prepayment Premium will be imposed with respect to such payment).

3.5 No Credits on Account of the Debt. Borrower will not claim or demand or be entitled to any credit or credits on account of the Debt for any part of the Taxes assessed against the Mortgaged Property or any part thereof and no deduction shall otherwise be made or claimed from the taxable value of the Mortgaged Property, or any part thereof, by reason of this Instrument or the Debt.

3.6 Documentary Stamps. If at any time the United States of America, any state thereof, or any governmental subdivision of any such state, shall require revenue or other stamps to be affixed to the Note or this Instrument, Borrower will, within ten (10) days after demand, pay for the same, with interest and penalties thereon, if any.

3.7 Filing of Mortgage, etc. Borrower forthwith upon the execution and delivery of this Instrument and thereafter, from time to time, will cause this Instrument and any extension, modification, renewal or replacement hereof, and any security instrument creating a lien or evidencing the lien hereof upon the Mortgaged Property and each instrument of further assurance to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect, preserve and perfect the lien hereof upon, and the interest of Lender in, the Mortgaged Property. Borrower will pay all title insurance fees and charges, all filing, registration and recording fees, and all expenses incident to the preparation, execution and acknowledgment of this Instrument, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property, and any instrument of further assurance, and all Federal, state, county and municipal taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Instrument, any mortgage supplemental hereto, any security instrument with respect to the Mortgaged Property or any instrument of further assurance. Borrower shall hold harmless and indemnify

Lender, its successors and assigns, against any liability incurred by reason of the imposition of any tax on the making and recording of this Instrument.

3.8 Further Acts, etc. Borrower will at its cost, and without expense to Lender or Trustee, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers and assurances as Lender or Trustee shall, from time to time, reasonably require for the better assuring, conveying, assigning, transferring and confirming unto Lender or Trustee the property and rights hereby conveyed or assigned intended now or hereafter so to be, or which Borrower may be or may hereafter become bound to convey or assign to Lender, or for carrying out the intention or facilitating the performance of the terms of this Instrument or for filing, registering or recording this Instrument and, within ten (10) days after demand, will execute and deliver and, upon Borrower's failure to promptly do so, hereby authorizes Lender or Trustee to execute in the name of Borrower to the extent Lender or Trustee may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien hereof upon the Mortgaged Property.

3.9 Usury Laws. It is the express intent hereof that Borrower not pay and Lender not receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be legally paid by Borrower under applicable law, and the Note is subject to the express condition that at no time shall Borrower be obligated or required to pay, nor shall Lender be permitted to collect, interest on the principal balance of the Note at a rate which could subject Lender to either civil or criminal liability as a result of being in excess of the maximum rate which Borrower is permitted by law to agree to pay. If any such excess amount of interest is contracted for, charged, paid, received or applied under the Loan Documents or the Note, or in the event the maturity of the Debt is accelerated in whole or in part or all or part of the principal of or interest on the Note shall be prepaid, so that under any of such circumstances the amount of interest contracted for, charged, paid, received or applied under the Loan Documents or the Note on the amount of principal actually outstanding from time to time under the Note shall exceed the maximum amount of interest permitted by applicable law, then in any such event (a) neither Borrower nor any other person liable for payment of the Debt shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount of interest permitted by applicable law, (b) any such excess which may have been collected shall, at Lender's option, either be applied as a credit against the then unpaid principal amount of the Note without Prepayment Premium or refunded to Borrower and (c) the effective rate of interest shall be automatically reduced to the maximum lawful rate of interest allowed under applicable law, as now or hereafter construed by the courts having jurisdiction thereof. Without limiting the generality of the foregoing, all calculations of the rate of interest contracted for, charged or received under the Loan Documents or the Note which are made for the purposes of determining whether such rate exceeds the maximum amount of interest permitted by applicable law shall be made, to the extent permitted by applicable law, by amortizing, prorating, allocating and spreading in equal parts during the period of the full stated term of the Note, all interest at any time contracted for, charged or received in connection with the Debt.

3.10 Indemnity. Anything in this Instrument or the other Loan Documents to the contrary notwithstanding, but subject to Section 3.23 hereof, Borrower shall indemnify and hold Lender harmless and defend Lender at Borrower's sole cost and expense against any loss or liability, cost or expense (including, without limitation, reasonable attorneys' fees and disbursements of Lender's counsel, whether in-house staff, retained firms or otherwise), and all claims, actions, procedures and suits arising out of or in connection with (i) any ongoing matters arising out of the transaction contemplated hereby, the Debt, this Instrument, the Note or any Loan Documents, (ii) any amendment to, or restructuring of, the Debt and this Instrument, the Note or any of the other Loan Documents, and (iii) any and all lawful action that may be taken by Lender in connection with the enforcement of the provisions of this Instrument or the Note or any of the other Loan Documents, whether or not suit is filed in connection with the same, or in

connection with Borrower, any Guarantor, any Responsible Party and/or any partner, joint venturer or shareholder thereof becoming a party to a voluntary or involuntary federal or state bankruptcy, insolvency or similar proceeding, except only if such loss referenced in clause (i), (ii) or (iii) is caused solely and directly by the gross negligence or willful misconduct of Lender. All sums expended by Lender shall be payable within ten (10) days after demand and, until reimbursed by Borrower pursuant hereto, shall be deemed additional principal of the Debt and secured hereby and shall bear interest at the Default Rate.

3.11 No Oral Change. This Instrument may only be modified, amended or changed by an agreement in writing signed by Borrower and Lender, and may only be released, discharged or satisfied of record by an agreement in writing signed by Lender. No waiver of any term, covenant or provision of this Instrument shall be effective unless given in writing by Lender and if so given by Lender shall only be effective in the specific instance in which given. Borrower acknowledges that the Note, this Instrument and the other documents and instruments executed and delivered in connection therewith or otherwise in connection with the Loan set forth the entire agreement and understanding of Borrower and Lender with respect to the Loan and that no oral or other agreement, understanding, representation or warranty exists with respect to the Loan other than those set forth in the Note, this Instrument and the other Loan Documents.

3.12 Enforceability. This Instrument and the obligations arising hereunder shall be governed by, and construed in accordance with, the laws of the state in which the Premises is located and any applicable laws of the United States of America. Whenever possible, each provision of this Instrument shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Instrument shall be unenforceable or prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such unenforceability, prohibition or invalidity, without invalidating the remaining provisions of this Instrument.

3.13 Relationship. The relationship of Lender to Borrower hereunder is strictly and solely that of lender and borrower and beneficiary and trustor and nothing contained in the Note, this Instrument or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise in connection with the Loan is intended to create, or shall in any event or under any circumstance be construed as creating, a partnership, joint venture, tenancy-in-common, joint tenancy or other relationship of any nature whatsoever between Lender and Borrower other than as lender and borrower and beneficiary and trustor.

3.14 Liability. If Borrower consists of more than one person, the obligations and liabilities of each such person hereunder shall be joint and several.

3.15 Certain Definitions. Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, words used in this Instrument shall be used interchangeably in singular or plural form and the word "Borrower" shall mean each Borrower and any subsequent owner or owners of the Mortgaged Property or any part thereof or interest therein (and the word "Borrower" shall also mean Borrower in its capacity as "trustor" or "grantor" under a deed of trust pursuant to applicable law); the word "Beneficiary" shall mean Lender or any subsequent holder of the Note; the word "Note" shall mean the Note, any amendment, extension, modification, restatement or replacement thereof or any other evidence of indebtedness secured by this Instrument; the word "Guarantor" shall mean each person guaranteeing payment of the Debt or any portion thereof or performance by Borrower of any of the terms of this Instrument and their respective heirs, executors, administrators, legal representatives, successors and assigns; the word "person" shall include an individual, corporation, partnership, trust, unincorporated association, government, governmental authority, or other entity; the words "Mortgaged Property" shall include any portion of the Mortgaged Property or interest therein; and the word "Debt" shall mean all sums secured by this Instrument. Whenever the context may require, any pronouns used herein shall

include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

3.16 Headings, etc. The headings and captions of various paragraphs of this Instrument are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

3.17 Duplicate Originals. This Instrument may be executed in any number of duplicate originals, and each such duplicate original shall be deemed to constitute but one and the same instrument.

3.18 Sole Discretion of Lender or Trustee. Except as may otherwise be expressly provided in the Loan Documents to the contrary or as required by applicable law, wherever pursuant to the Note, this Instrument or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise with respect to the Loan, Lender or Trustee exercises any right given to it to consent or not consent, or to approve or disapprove, or any arrangement or term is to be satisfactory to Lender or Trustee, the decision of Lender or Trustee to consent or not consent, or to approve or disapprove, or to decide that arrangements or terms are satisfactory or not satisfactory, shall be in the sole and absolute discretion of Lender or Trustee and shall be final and conclusive.

3.19. Reasonableness. If at any time Borrower believes that Lender has not acted reasonably in granting or withholding any approval or consent under the Note, this Instrument or any other document or instrument now or hereafter executed and delivered in connection therewith or otherwise with respect to the Loan, as to which approval or consent either Lender has expressly agreed to act reasonably, or absent such agreement, a court of law having jurisdiction over the subject matter would require Lender to act reasonably, then Borrower's sole remedy shall be to seek injunctive relief or specific performance and no action for monetary damages or punitive damages shall in any event or under any circumstance be maintained by Borrower against Lender.

3.20 Brokerage. Borrower shall pay in full all brokerage commissions due any party upon the execution and delivery hereof. Borrower covenants and agrees that no brokerage commission or other fee, commission or compensation is to be paid by Lender and Borrower agrees to indemnify Lender against any claims for any of the same.

3.21 Sale/Assignment. Borrower acknowledges that Lender shall have the right in its sole and absolute discretion during the term of the Loan (i) to sell and assign the Loan or participation interests in the Loan and/or (ii) to effect a so-called securitization of the Loan, in each instance in such manner and on such terms and conditions as Lender shall deem to be appropriate. Borrower shall cooperate, and shall cause each Responsible Party, indemnitor and other person or party associated or connected with the Loan or the collateral therefor to cooperate, in all reasonable respects with Lender in connection with such sale, assignment, participation and/or securitization, and shall, in connection therewith, execute and deliver such estoppels, certificates, instruments and documents as may be reasonably requested by Lender, so long as Borrower is not required to incur cost relating to the same (other than delivery costs, time of review and, if Borrower desires, legal review). Borrower grants to Lender, and shall cause each Responsible Party, indemnitor and other person or party associated or connected with the Loan or the collateral therefor to grant to Lender, the right to distribute on a confidential basis financial and other information concerning Borrower, each such Responsible Party, indemnitor and other person or party and the property encumbered by this Instrument and other pertinent information with respect to the Loan to any party who has indicated to Lender an interest in entering into such sale, assignment and/or securitization of the Loan. If Borrower shall default in the performance of its obligations as set forth in this paragraph, and if such default shall not be remedied by Borrower within fifteen (15) days after notice by Lender, Lender shall have the right in its discretion to declare the Debt immediately due and payable.

3.22 WAIVER OF AUTOMATIC STAY. TO THE FULLEST EXTENT BORROWER MAY DO SO UNDER APPLICABLE LAW, BORROWER HEREBY AGREES THAT, IN CONSIDERATION OF LENDER'S AGREEMENT TO MAKE THE LOAN AND IN RECOGNITION THAT THE FOLLOWING COVENANT IS A MATERIAL INDUCEMENT FOR LENDER TO MAKE THE LOAN, IF BORROWER SHALL (i) FILE WITH ANY BANKRUPTCY COURT OF COMPETENT JURISDICTION OR BE THE SUBJECT OF ANY PETITION UNDER ANY SECTION OR CHAPTER OF THE BANKRUPTCY CODE, OR SIMILAR LAW OR STATUTE; (ii) BE THE SUBJECT OF ANY ORDER FOR RELIEF ISSUED UNDER THE BANKRUPTCY CODE OR SIMILAR LAW OR STATUTE; (iii) FILE OR BE THE SUBJECT OF ANY PETITION SEEKING ANY REORGANIZATION, ARRANGEMENT, COMPOSITION, READJUSTMENT, LIQUIDATION, DISSOLUTION, OR SIMILAR RELIEF UNDER ANY PRESENT OR FUTURE FEDERAL OR STATE ACT OR LAW RELATING TO BANKRUPTCY, INSOLVENCY, OR OTHER RELIEF FOR DEBTORS; (iv) HAVE SOUGHT OR CONSENTED TO OR ACQUIESCED IN THE APPOINTMENT OF ANY TRUSTEE, RECEIVER, CONSERVATOR, OR LIQUIDATOR; OR (v) BE THE SUBJECT OF AN ORDER, JUDGMENT OR DECREE ENTERED BY ANY COURT OF COMPETENT JURISDICTION APPROVING A PETITION FILED AGAINST ANY BORROWER FOR ANY REORGANIZATION, ARRANGEMENT, COMPOSITION, READJUSTMENT, LIQUIDATION, DISSOLUTION, OR SIMILAR RELIEF UNDER ANY PRESENT OR FUTURE FEDERAL OR STATE ACT OR LAW RELATING TO BANKRUPTCY, INSOLVENCY OR RELIEF FOR DEBTORS, THEN, SUBJECT TO COURT APPROVAL, LENDER SHALL THEREUPON BE ENTITLED AND BORROWER HEREBY IRREVOCABLY CONSENTS TO, AND WILL NOT CONTEST, AND AGREES TO STIPULATE TO RELIEF FROM ANY AUTOMATIC STAY OR OTHER INJUNCTION IMPOSED BY SECTION 362 OF THE BANKRUPTCY CODE, OR SIMILAR LAW OR STATUTE (INCLUDING, WITHOUT LIMITATION, RELIEF FROM ANY EXCLUSIVE PERIOD SET FORTH IN SECTION 1121 OF THE BANKRUPTCY CODE) OR OTHERWISE AVAILABLE TO LENDER AS PROVIDED IN THE NOTE AND THE LOAN DOCUMENTS, AND AS OTHERWISE PROVIDED BY LAW, AND BORROWER HEREBY IRREVOCABLY WAIVES ITS RIGHT TO OBJECT TO SUCH RELIEF.

3.23 Exculpation. In the Note are set forth certain provisions limiting Borrower's liability under the Note, this Instrument and the other Loan Documents, all of which are hereby incorporated herein by reference and made a part hereof to the same extent as if fully set forth herein, which, having been referred to and incorporated herein, shall govern the matters addressed therein, notwithstanding anything in this Instrument to the contrary.

ARTICLE IV - LOCAL LAW PROVISIONS

4.1 Inconsistencies. In the event of any inconsistencies between the terms and conditions of this Article IV and any other terms of this Instrument, the terms and conditions of this Article IV shall control and be binding.

4.2 Environmental Indemnity Not Secured Hereby. Notwithstanding any other term or provision of this Instrument, or any other term contained herein or in the Loan Documents, none of Borrower's obligations under or pursuant to the Hazardous Material Indemnification Agreement of even date herewith executed by Borrower in favor of Lender ("Environmental Indemnity Agreement") nor any guarantee executed by any party in connection with the Loan shall be secured by the lien, security interest and conveyance of this Instrument.

4.3 Power of Sale. Without limiting any rights of Lender or Trustee under Section 2.2, upon any Default, Lender may cause any or all of the Mortgaged Property to be sold under the power of sale

granted in this Instrument in any manner permitted by applicable law. Lender is hereby authorized and empowered to expose to sale and to sell the Mortgaged Property at public auction for cash, after having first complied with all applicable requirements of the law of the State of Utah with respect to the exercise of powers of sale contained in mortgages or such other sales appropriate under the circumstances, and upon any such sale, Lender shall convey title to the purchaser of the Mortgaged Property.

Upon the application or request of Lender, it shall be lawful for and the duty of Trustee, and Trustee is hereby authorized and empowered to expose to sale and to sell the Premises at public auction for cash (except that Lender shall be allowed to "credit" bid for an amount up to the total Debt then secured), after having first complied with all applicable requirements of the law of the State of Utah with respect to the exercise of powers of sale contained in deeds of trust or such other sales appropriate under the circumstances, and upon any such sale, Trustee shall convey title to the purchaser of the Premises. All procedural matters relating to exercise of the power of sale available under this Instrument (such as the manner of giving notice of default and notice of sale, the forms employed for such purpose, the persons to receive notice, the time which must elapse between various stages of the proceeding, and the manner in which the sale is conducted) shall be governed by the statutory law which is in effect at the time said power is exercised. In the event some or all of such procedural matters are not covered by then-effective legislation, the matters not covered shall be governed by the law which is in effect at the time this Instrument is executed.

At the sale by the Trustee the Premises may be sold in its entirety or in separate parts in such order as Trustee may determine, subject to Borrower's statutory right to direct the order of sale of real property consisting of several known parcels or lots. Any person, including Borrower, Trustee, and Lender, may bid and purchase at the sale. Upon receipt of payment Trustee shall execute and deliver its Deed to the purchaser. The Trustee's Deed may contain recitals of compliance with any requirements of applicable law relating to exercise of the power of sale or to the sale. Such recitals shall constitute conclusive evidence of such compliance in favor of bona fide purchasers and encumbrancers for value and without notice and prime facie evidence thereof in favor of all other persons. The Trustee's Deed shall operate to convey to the grantee, not subject to any right of redemption, the Trustee's title and all right, title, interest, and claim of Borrower, of its successors in interest, and of all persons claiming by, through, or under them, in and to that part of the Premises sold, including any and all right, title, interest, or claim in and to such part which may have been acquired by Borrower or its successors in interest subsequent to the execution of this Instrument. Trustee shall apply the proceeds of sale toward payment of the following, and in the order indicated: (a) all costs and expenses actually incurred in connection with exercise of the power of sale or with the sale, including reasonable Trustee's and attorneys' fees and the cost of any evidence of title procured in connection with the sale; (b) each sum the payment of which is secured by this Instrument, together with accrued interest thereon at the applicable rate; and (c) the balance, if any, to those entitled thereto or, at Trustee's discretion, such remainder may be deposited with the County Clerk of the County in which the sale took place. At any time within three (3) months after the Trustee's sale of the Premises, Lender may commence an action to recover the balance due upon the obligations secured by this Instrument and interest thereon at the Default Rate. In said action Lender shall also be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred by it in connection therewith. Judgment may not be rendered against Borrower for more than the amount by which the indebtedness with interest, costs, and expenses of sale exceeds the fair market value of the Mortgaged Property as of the date of the sale. Borrower hereby authorizes Trustee, upon its being presented with an Affidavit signed by Lender setting forth facts showing a default under this Instrument, to accept as true and conclusive all facts and statements contained therein and to rely and act thereon.

The Trustee, his successor or substitute, may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Trustee, including the

posting of notices and the conduct of sale, but in the name and on behalf of the Trustee, his successor or substitute.

4.4 Qualification of Title Insurance Company as Trustee. Should the "Trustee" as used throughout this Instrument be a title insurance company or agency, such Trustee shall be qualified in the State of Utah in the following manner, consistent with the provisions of Utah Code Ann. § 57-1-21: (a) Trustee must hold a certificate of authority or license under Title 31A, Insurance Code, to conduct insurance business in the State of Utah, (b) Trustee must actually be doing business in the State of Utah, and (c) Trustee must maintain a bona fide office in the State of Utah. In the event of any express conflict between the provisions of the Security Instrument and the provisions of Utah Code Ann. § 57-1-21 with regard to the qualifications of the Trustee, the provisions of Utah Code Ann. § 57-1-21 shall apply.

4.5 Request for Certain Notices. Pursuant to the provisions of Utah Code Section 57-1-26, Borrower requests that a copy of any notice of default and a copy of any notice of sale under this Instrument be delivered to Borrower as set forth in Section 3.1 of this Instrument. The foregoing shall not require duplicate notice of any such notice sent pursuant to any other provisions of this Instrument or the Loan Documents.

IN WITNESS WHEREOF, Borrower has duly executed this Instrument under seal the day and year first above written.


BORROWER:

JF SPRING RUN PARTNERS, LLC, a Utah limited liability company

By: **JF SPRING RUN MANAGER, LLC**, a Utah limited liability company, as the Manager thereof

By: **JF Capital, LLC**, a Utah limited liability company, as the Manager thereof

By: **J. Fisher Companies, LLC**, a Utah limited liability company, as the Manager thereof

By: 
Name: Owen J. Fisher
Title: Manager

ACKNOWLEDGMENT

STATE OF UTAH

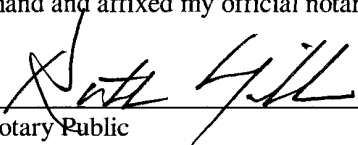
COUNTY OF DAVIS

On this 12TH day of DECEMBER, 2019, personally appeared Owen J. Fisher, who being by me duly sworn, did say that he is the Manager of J. Fisher Companies, LLC, a Utah limited liability company, which is the Manager of JF Capital, LLC, a Utah limited liability company, which is the Manager of JF Spring Run Manager, LLC, a Utah limited liability company, which is the Manager of JF SPRING RUN PARTNERS, LLC, a Utah limited liability company, and that said instrument was signed on behalf of said Manager as aforesaid by authority of the operating agreement and said Manager acknowledged to me that said company executed the same.

IN WITNESS WHEREOF, I have set my hand and affixed my official notarial stamp or seal, the day and year in this certificate first above written.

My Commission Expires:

11/30/2021


Notary Public

[NOTARIAL SEAL]

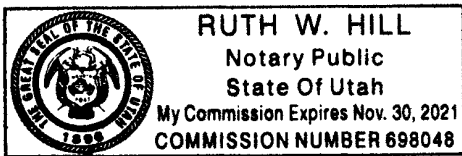


EXHIBIT A

(Legal Description of Premises)

Land situated in the County of Salt Lake, State of Utah, and described as follows:

PARCEL 1:

Beginning at a point in the center of Murray-Holladay Road, said point being South 89°50'15" West 156.60 feet from a Salt Lake County Surveyor's monument, said point more specifically described as being South 742.72 feet and West 158.76 feet from the North quarter corner of Section 8, Township 2 South, Range 1 East, Salt Lake Base and Meridian and running thence South 89°50'15" West 213.50 feet along said monument line; thence North 539.54 feet; thence South 85°00'00" East 35.14 feet to a point on the Southerly line of property conveyed to Cottonwood 264 Limited, a Utah limited partnership, in that certain Special Warranty Deed recorded December 27, 1990 as Entry No. 5006182 in Book 6278 at Page 2280 of the official records of the Salt Lake County Recorder; thence along said Southerly line South 70°00'00" East 83.40 feet; thence along said Southerly line North 74°00'00" East 104.16 feet; thence South 536.06 feet to the Point of Beginning.

EXCEPTING THEREFROM the following described tract of land conveyed to Salt Lake County, a political subdivision of the State of Utah, in that certain Quit Claim Deed recorded June 29, 2016 as Entry No. 12311076 in Book 10447 at Page 4749 of official records, to-wit:

Proposed description of a 33.00 foot wide dedication in favor of Salt Lake County, being more particularly described as follows:

Beginning at the Southeast corner of Grantor's property, said point also being South 742.72 feet and West 158.76 feet from the North quarter of Section 8, Township 2 South, Range 1 East, Salt Lake Base and Meridian and running thence South 89°50'15" West along the South line of Grantor's property a distance of 213.50 feet to the Southwest corner of said property; thence North along the West line of said property 33.00 feet; thence North 89°50'15" East 213.50 feet to the East line of said property; thence South along the East line of said property 33.00 feet to the Point of Beginning.

PARCEL 2:

A right-of-way easement, appurtenant to Parcel 1, as provided for in that certain Right-of-Way Agreement recorded May 27, 1983 as Entry No. 3798809 in Book 5462 at Page 1975 of the official records, for the purpose of digging trench and/or making a fill along said right-of-way, and to lay, maintain, operate, repair, remove or replace the pipe line for transportation of storm drainage through and across the following described land:

Beginning at a point South 89°50'15" West 367.77 feet and North 00°09'45" West 539.54 feet from County Nail and Washer, said Nail and Washer being South 00°10'00" West 742.287 feet from the North quarter corner of Section 8, Township 2 South, Range 1 East, Salt lake Base and Meridian and running thence North 27 feet to the South side of Cottonwood Creek right-of-way; thence Easterly along said right-of-way 10 feet; thence South 27 feet, more or less; thence Westerly 10 feet to the Point of Beginning.

Tax Parcel Number: 22-08-128-008

EXHIBIT B

(Permitted Title Exceptions)

Those items set forth in Schedule B, Section 2, of that certain Commitment for Title Insurance issued by Old Republic National Title Insurance Company, Commitment No. 118282-CAF, as endorsed and marked, or as set forth in a "pro forma policy", in connection with the making of the Loan evidenced by the Note and the recording of this Instrument.

EXHIBIT C

(UCC Financing Statement Information)

SCHEDULE 1

(Description of "Debtor" and "Secured Party")

A. Debtor:

1. Name and Identity of Corporate Structure: JF Spring Run Partners, LLC, a Utah limited liability company.
2. Debtor has been using or operating under said name and identity without change for more than five (5) years or has not operated under any other name or identity in the previous five (5) years.

B. Secured Party: American Memorial Life Insurance Company

SCHEDULE 2

(Notice Mailing Addresses of "Debtor" and "Secured Party")

A. The mailing address of Debtor is:

JF Spring Run Partners, LLC
1148 W. Legacy Crossing Blvd., Suite 400
Centerville, UT 84014
Attn: Asset Management / Glenn Girsberger

B. The mailing address of Secured Party is:

American Memorial Life Insurance Company
c/o Assurant Asset Management
28 Liberty Street
New York, New York 10005
Attn: Mortgage Servicing Department; Loan No. 4041980