

After recording return to:

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Holland & Knight LLP
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Chicago, Illinois 60606

A.P.N.: 08-087-0135

136556-JCP

DEED OF TRUST,
ASSIGNMENT OF RENTS AND LEASES,
SECURITY AGREEMENT AND FINANCING STATEMENT

This Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (hereinafter called "Deed of Trust") is made as of the 10th day of December, 2020, by and among Quantronix, Inc., a Utah corporation, located at 314 South 200 West, Farmington, UT 84025, as trustor ("Borrower"), Cottonwood Title Insurance Agency, Inc. whose address is 1544 N. Woodland Park Dr., Suite 300, Layton, UT 84041, as trustee (when referred to in such capacity, "Trustee") and JPMorgan Chase Bank, N.A., its successors and assigns whose mailing address is 10 South Dearborn, Floor L2, Suite IL1-1145, Chicago, IL 60603-2300, as beneficiary (when referred to in such capacity, "Lender").

1. **Granting Clause.** Borrower, in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to secure the obligations described in Section 3 below, irrevocably grants, bargains, sells, conveys, mortgages, transfers, sets over, pledges, hypothecates and assigns to Lender and its successors and assigns, forever, all of Borrower's estate, right, title, interest, claim and demand in and to the property in the County of Davis, State of Utah, with a street address of 314 South 200 West, Farmington, Utah 84025 (which address is provided for reference only and shall in no way limit the description of the real and personal property otherwise described in this Section 1), described as follows, whether now existing or hereafter acquired (all of the property described in all parts of this Section 1 and all additional property, if any, described in Section 2 is called the "Property"):

1.1 **Land and Appurtenances.** The land described on Exhibit A hereto (the "Land"), and all tenements, hereditaments, rights-of-way, easements, appendages and appurtenances thereto belonging or in any way appertaining, including, without limitation, any and all rights of a declarant under any covenant, condition, restriction, easement or other agreement, any and all of the right, title and interest of Borrower in and to any avenues, streets, ways, alleys, vaults, strips or gores of land adjoining that property, any and all rights to water, water stock, drains, drainage, air rights and development rights relating to that property, any and all rights to oil, gas, minerals, metals and other materials, and any and all claims or demands of Borrower either in law or in equity in possession or expectancy of, in and to that property; and

1.2 **Improvements and Fixtures.** All buildings, structures and other improvements now or hereafter erected on the property described in 1.1 above (the "Improvements"), and all facilities, fixtures, machinery, apparatus, installations, goods, equipment, inventory, furniture, building materials and supplies and other properties of whatsoever nature, now or hereafter located in and used or procured for use in connection with the operation of that property, or located in or upon the Land and Improvements or any part thereof, or to be attached to or placed in or on, or used or useable in connection with any present or future use, enjoyment, occupancy or operation of all or any part of the Land and Improvements, whether stored on the Land and Improvements or elsewhere, it being the intention of the parties that all property of

the character described above that is now owned or hereafter acquired by Borrower (and not owned by a tenant of Borrower) and that is affixed to, attached to and used in connection with the operation of the property described in 1.1 above shall be, remain or become a portion of that property and shall be covered by and subject to the lien of this Deed of Trust, together with all contracts, agreements, warranties, guaranties, permits, licenses, certificates, approvals, plans, specifications, drawings, surveys, engineering reports and other work products relating to the construction, development or operation of the Land and the existing and future Improvements, any and all rights of Borrower in, to or under any architect's contracts, engineer's contracts or construction contracts relating to the construction of the existing or any future Improvements, and any performance and/or payment bonds issued in connection therewith, together with all trademarks, trade names, copyrights, computer software and other intellectual property used by Borrower in connection with the Property; and

1.3 Enforcement and Collection. Any and all rights of Borrower without limitation to make claim for, collect, receive and receipt for any and all rents, income, revenues, issues, earnest money, deposits, refunds (including but not limited to refunds from taxing authorities, utilities and insurers), royalties, and profits, including mineral, oil and gas rights and profits, insurance proceeds of any kind (whether or not Lender requires such insurance and whether or not Lender is named as an additional insured or loss payee of such insurance), condemnation awards and other moneys, payable or receivable from or on account of any of the Property, including interest thereon, or to enforce all other provisions of any other agreement (including those described in Section 1.2 above) affecting or relating to any of the Property, to bring any suit in equity, action at law or other proceeding for the collection of such moneys or for the specific or other enforcement of any such agreement, award or judgment, in the name of Borrower or otherwise, and to do any and all things that Borrower is or may be or become entitled to do with respect thereto, provided, however, that no obligation of Borrower under the provisions of any such agreements, awards or judgments shall be impaired or diminished by virtue hereof, nor shall any such obligation be imposed upon Lender; and

1.4 Accounts and Income. Any and all rights of Borrower in any and all accounts, rights to payment, contract rights, chattel paper, documents, instruments, licenses, contracts, agreements, Impounds (as defined below) and general intangibles relating to any of the Property, including, without limitation, income, issues, profits, royalties and proceeds from the Property; and

1.5 Leases. All of Borrower's rights as landlord in and to all existing and future leases, subleases and tenancies, whether written or oral and whether for a definite term or month to month or otherwise, now or hereafter demising all or any portion of the property described in 1.1 and 1.2 above, including all renewals and extensions thereof and all rents, deposits and other amounts received or receivable thereunder, and including all guaranties, supporting obligations, letters of credit (whether tangible or electronic) and letter of credit rights guaranteeing or supporting any such lease, sublease or tenancy or otherwise growing out of any occupancy or use of any of the Property; and

1.6 Insurance Policies; Condemnation Awards. All rights in and to all pertinent present and future fire, hazard, earthquake or other insurance policies covering any of the Property (whether or not Lender requires such insurance and whether or not Lender is named as an additional insured or loss payee of such insurance); and all Awards (defined below); and all proceeds or sums payable in lieu of or as compensation for the loss of or damage to any of the Property; and

1.7 Swap Agreements. Any and all Swap Agreements of Borrower and any and all rights that Borrower may now or hereafter have to any and all payments, disbursements, distributions or proceeds owing, payable or required to be delivered to Borrower on account of any and all Swap Agreements; and

1.8 **Books and Records**. All books and records of Borrower relating to the foregoing in any form; and

1.9 **Proceeds**. All replacements, products and proceeds of, and additions and accessions to, any of the foregoing.

In accepting this Deed of Trust, Lender does not assume any liability in connection with any of the Property, including any obligation under any lease or agreement.

2. **Security Agreement, Fixture Filing and Assignment of Leases and Rents**.

2.1 **Security Agreement**. To the extent any of the property described in Section 1 is personal property, Borrower, as debtor, grants to Lender, as secured party, a security interest therein and in all products and proceeds of any thereof, pursuant to the Uniform Commercial Code of the State of Utah and any other applicable Uniform Commercial Code (collectively, the "UCC"), on the terms and conditions contained herein, to secure the obligations described in Section 3 below. Borrower hereby authorizes Lender to file any financing statement, fixture filing or similar filing to perfect the security interests granted in this Deed of Trust without Borrower's signature.

2.2 **Fixture Filing**. This Deed of Trust constitutes a fixture filing by Lender, as secured party, and Borrower, as debtor, under the UCC. This Deed of Trust as a fixture filing covers any and all fixtures included within the list of property described in Section 1 of this Deed of Trust and any goods and other personal property that are now or hereafter will become a part of the Property as fixtures. For the purposes of this fixture filing, the respective addresses of Lender and Borrower are set forth in the first paragraph of this Deed of Trust, such fixtures are affixed or to be affixed to the Land and Improvements described in Section 1 of this Deed of Trust, and this Deed of Trust, including this fixture filing, is recorded or to be recorded in the real estate records of the County in which the Land is located.

2.3 **Assignment of Leases and Rents**.

2.3.1 **Absolute Assignment**. Borrower hereby absolutely and unconditionally grants, transfers, conveys, sells, sets over and assigns to Lender all of Borrower's right, title and interest now existing and hereafter arising in and to the leases, subleases, concessions, licenses, franchises, occupancy agreements, tenancies, subtenancies and other agreements, either oral or written, now existing and hereafter arising which affect the Property, Borrower's interest therein or any improvements located thereon, together with any and all security deposits, guaranties of the lessees' or tenants' obligations (including any and all security therefor), and other security under any such leases, subleases, concessions, licenses, franchises, occupancy agreements, tenancies, subtenancies and other agreements, and all supporting obligations, letters of credit (whether tangible or electronic) and letter of credit rights guaranteeing or supporting any of the foregoing (all of the foregoing, and any and all extensions, modifications and renewals thereof, shall be referred to, collectively, as the "Leases"), and hereby gives to and confers upon Lender the right to collect all the income, rents, issues, profits, royalties and proceeds from the Leases and any and all prepaid rent and security deposits thereunder (collectively, the "Rents"). The term "Rents" includes, but is not limited to, all minimum rents, additional rents, percentage rents, deficiency rents, common area maintenance charges, lease termination payments, purchase option payments, refunds of any type, prepayment of rents, settlements of litigation, settlements of past due rents, and liquidated damages following default, and all proceeds payable under any policy of insurance covering loss of rents, together with any and all rights and claims of any kind that Borrower may have against any tenant under the Leases or any other occupant of the Property. This Deed of Trust is intended by Lender and Borrower to create and shall be construed to create an absolute assignment to Lender of all of Borrower's right, title and interest in and to the Leases and the Rents and shall not be deemed merely to create a security interest therein for the payment of any

indebtedness or the performance of any obligations under the Loan Documents. Borrower irrevocably appoints Lender its true and lawful attorney at the option of Lender at any time a Default (as defined below) exists and remains uncured to demand, receive and enforce payment, to give receipts, releases and satisfactions and to sue, either in the name of Borrower or in the name of Lender, for all such Rents and apply the same to the obligations secured by this Deed of Trust.

2.3.2 **Revocable License to Collect.** Notwithstanding the foregoing assignment of Rents, so long as no Default remains uncured, Borrower shall have a revocable license, to collect all Rents, and to retain the same. Upon the occurrence and during the continuation of any Default, Borrower's license to collect and retain Rents shall terminate automatically and without the necessity for any notice.

2.3.3 **Collection and Application of Rents by Lender.** While any Default remains uncured: (i) Lender may at any time, without notice, in person, by agent or by court-appointed receiver, and without regard to the adequacy of any security for the obligations secured by this Deed of Trust, enter upon any portion of the Property and/or, with or without taking possession thereof, in its own name sue for or otherwise collect Rents (including past due amounts); and (ii) upon written demand by Lender therefor, Borrower shall promptly deliver to Lender all prepaid rents, deposits relating to Leases or Rents, and all other Rents then held by or thereafter collected by Borrower, whether prior to or during the continuance of any Default. Any Rents collected by or delivered to Lender may be applied by Lender against the obligations secured by this Deed of Trust, and all expenses, including attorneys' fees and disbursements, in such order as Lender shall determine in its sole and absolute discretion. No application of Rents against any obligation secured by this Deed of Trust or other action taken by Lender under this Section 2.3 shall be deemed or construed to cure or waive any Default, or to invalidate any other action taken in response to such Default, or to make Lender a mortgagee-in-possession of the Property.

2.3.4 **Direction to Tenants.** Borrower hereby irrevocably authorizes and directs the tenants under all Leases to pay all amounts owing to Borrower thereunder to Lender following receipt of any written notice from Lender that states that a Default remains uncured and that all such amounts are to be paid to Lender. Borrower further authorizes and directs all such tenants to pay all such amounts to Lender without any right or obligation to inquire as to the validity of Lender's notice and regardless of the fact that Borrower has notified any such tenants that Lender's notice is invalid or has directed any such tenants not to pay such amounts to Lender.

2.3.5 **No Obligation to Perform.** Lender shall not have any obligation to exercise any right given to it under this Deed of Trust. Nothing contained herein shall operate or be construed to obligate Lender to perform any obligations of Borrower under any agreement or lease (including, without limitation, any obligation arising out of any covenant of quiet enjoyment therein contained in the event the lessee under any such lease shall have been joined as a party defendant in any action to foreclose and the estate of such lessee shall have been thereby terminated). Prior to actual entry into and taking possession of the Property by Lender, this assignment shall not operate to place upon Lender any responsibility for the operation, control, care, management or repair of the Property or any portion thereof, and the execution of this assignment by Borrower shall constitute conclusive evidence that all responsibility for the operation, control, care, management and repair of the Property is and shall be that of Borrower, prior to such actual entry and taking of possession.

3. **Obligations Secured.** This Deed of Trust is given for the purpose of securing:

3.1 **Performance and Payment.**

3.1.1 The payment and performance of all indebtedness and other obligations and amounts owing by Borrower to Lender under that certain Credit Agreement dated as of the date hereof between

Borrower, as borrower, the loan parties party thereto from time to time, and Lender, as lender, and any and all extensions, renewals, modifications and replacements thereof (the "Loan Agreement"), and that certain promissory note dated as of the date hereof made by Borrower, payable to Lender or order, in the stated principal amount of Three Million One Hundred Thousand and No/100 Dollars (\$3,100,000), and any and all extensions, renewals, modifications and replacements thereof, whether the same be in greater or lesser amounts (the "Note"). Capitalized terms used and not defined in this Deed of Trust shall have the respective meanings given to them in the Loan Agreement.

3.1.2. The payment and performance of all indebtedness and other obligations and amounts owing by Borrower under this Deed of Trust and the other Loan Documents (other than the Environmental Indemnity Agreement which shall not be secured by this Deed of Trust).

3.1.3 The payment and performance of any and all Swap Agreement Obligations owing by Borrower under any Swap Agreement with Lender or an Affiliate of Lender that states that it is secured by this Deed of Trust.

3.1.4 The payment and performance of all indebtedness and other obligations and amounts owing by Borrower contained in any extensions, renewals, modifications and replacements of any of the foregoing.

3.2 **Future Advances.** The repayment of any and all sums advanced or expenditures made by Lender subsequent to the execution of this Deed of Trust for the maintenance or preservation of the Property or advanced or expended by Lender pursuant to any provision of the Loan Agreement, this Deed of Trust or any other Loan Document subsequent to its execution, together with interest thereon at the default rate set forth in the Loan Agreement ("Default Rate").

3.3 **Interest.** All of the obligations secured by this Deed of Trust shall bear interest at the rate of interest applicable under the Loan Agreement (including the Default Rate, as applicable), which interest shall also be secured by this Deed of Trust.

3.4 **Other Amounts.** All other obligations and amounts now or hereafter owing by Borrower to Lender under this Deed of Trust, the Note or any other document, instrument or agreement evidencing, securing or otherwise relating to the loan evidenced by the Loan Agreement and the Note (the "Loan") and any and all extensions, renewals, modifications or replacements of any thereof (collectively, the "Loan Documents"); provided, however, that this Deed of Trust does not and shall not in any event be deemed to, secure the obligations owing to Lender under: (a) the Environmental Indemnity Agreement (or any obligations that are the substantial equivalent thereof); or (b) any guaranty of the Loan executed by a Person other than Borrower.

4. **Warranties and Covenants of Borrower.** Borrower represents and warrants to, and covenants and agrees with, Lender as provided herein. All representations and warranties contained in this Deed of Trust are true and correct in all material respects as of the date of this Deed of Trust and shall remain true and correct in all material respects as of each date thereafter while this Deed of Trust remains of record or any portion of the obligations secured hereby remains unpaid.

4.1 **Warranties.**

4.1.1 To Borrower's knowledge after reasonable inquiry and except as otherwise disclosed to Lender in writing, the Property is free from damage (including, but not limited to, any construction defects or nonconforming work) that would materially impair the value of the Property as security.

4.1.2 The Loan which is secured by this Deed of Trust is solely for business or commercial purposes, and is not for personal, family, household or agricultural purposes.

4.2 **Preservation of Lien.** Borrower will preserve and protect the validity and priority of this Deed of Trust as a valid first lien on the Property. If Borrower fails to do so, Lender may take any and all actions necessary or appropriate to do so and all sums expended by Lender in so doing shall be treated as part of the obligations secured by this Deed of Trust, shall be paid by Borrower upon demand by Lender and shall bear interest at the Default Rate.

4.3 **Repair and Maintenance of Property.** Borrower will keep the Property in good condition and repair, which duty shall include but is not limited to cleaning, painting, landscaping, repairing, and refurbishing of the Property; will complete and not remove or demolish, alter, or make additions to any building or other improvement that is part of the Property, or construct any new structure on the Property, without the express written consent of Lender, which consent shall not be unreasonably withheld or delayed; will underpin and support when necessary any such building or other improvement and protect and preserve the same; will complete or restore promptly and in good and workmanlike manner any such building or other improvement that may be damaged or destroyed and pay when due all claims for labor performed and materials furnished therefor; will not commit, suffer, or permit any act upon the Property in violation of law; and will do all other acts that from the character or use of the Property may be reasonably necessary for the continued operation of the Property in a safe and legal manner, the specific enumerations herein not excluding the general. Notwithstanding anything in this Deed of Trust to the contrary, Borrower may make commercially reasonable minor alterations, improvements and replacements to the Property in a manner customary for similar properties and Borrower or its tenants may construct tenant improvements provided for under *bona fide* Leases of commercial space in the Property that have been entered into in compliance with the requirements of this Deed of Trust and the other Loan Documents and may perform necessary demolition and alterations in connection with such tenant improvements.

4.4 **Insurance.** Borrower will provide and maintain such property, liability, rental income interruption, flood and other insurance coverage required under, and perform all of Borrower's other obligations under, Article V of the Loan Agreement. Lender shall have the right to control or direct the proceeds of all policies of insurance on the Property, whether or not required by the terms of this Deed of Trust or the Loan Agreement, as provided in this Section 4.4, and all proceeds of all such policies are hereby assigned to Lender as security for the obligations secured by this Deed of Trust. Borrower shall be responsible for all uninsured losses and deductibles.

4.4.1 **Borrower's Obligations.** In the event of any damage to or loss or destruction of the Property (a "Casualty"): (i) if it could reasonably be expected to cost more than the Casualty Threshold Amount (as defined below) to repair the Casualty, Borrower shall give prompt written notice of the Casualty to Lender and to Borrower's insurer, and shall make a claim under each insurance policy providing coverage therefor and shall promptly furnish Lender with a copy of such claim, together with proof of loss and related documentation; (ii) Borrower shall take such actions as are necessary or appropriate to preserve and protect the Property; (iii) if the aggregate proceeds of any and all insurance policies insuring the Property, whether or not required by this Deed of Trust, that are payable as a result of the Casualty (collectively, the "Insurance Proceeds") could reasonably be expected to exceed the Casualty Threshold Amount, or if a Default or an event which, with notice or lapse of time or both, constitutes a Default (an "Unmatured Default") exists, Borrower shall take such actions as are necessary or appropriate to ensure that all Insurance Proceeds are paid to Lender forthwith to be held by Lender until applied to the obligations secured hereby or disbursed in accordance with this Section 4.4; and (iv) unless otherwise instructed by Lender, regardless of whether the Insurance Proceeds, if any, are sufficient for the purpose, Borrower shall promptly commence and diligently pursue to completion in a good, workmanlike and lien-free manner the restoration, replacement and rebuilding of the Property as nearly as possible to its value, condition and character immediately prior

to the Casualty (collectively, the "Restoration"). If the Restoration will cost more than the Casualty Threshold Amount to repair, Borrower shall submit the proposed plans and specifications for the Restoration, and all construction contracts, architect's contracts, other contracts in connection with the Restoration, and such other documents as Lender may reasonably request to Lender for its review and approval, which approval shall not be unreasonably withheld or delayed. Borrower shall not begin the Restoration unless and until Lender gives its written approval of such plans, specifications, contracts and other documents, with such revisions as Lender may reasonably require. Notwithstanding the foregoing, Lender shall not be responsible for the sufficiency, completeness, quality or legality of any such plans, specifications, contracts or other documents. Borrower shall pay, within ten (10) days after demand by Lender, all costs reasonably incurred by Lender in connection with the adjustment, collection and disbursement of Insurance Proceeds pursuant to this Deed of Trust or otherwise in connection with the Casualty or the Restoration.

4.4.2 **Casualty Threshold Amount.** As used in this Deed of Trust, the term "Casualty Threshold Amount" means \$500,000.

4.4.3 **Lender's Rights.** Subject to Borrower's right to control and administer Insurance Proceeds where the loss is expected to be equal to or less than the Casualty Threshold Amount, Lender shall have the right and power to receive and control all Insurance Proceeds required to be paid to it pursuant to clause (iii) of subsection 4.4.1 above. Borrower hereby authorizes and empowers Lender, in its own name or as attorney-in-fact for Borrower (which power is coupled with an interest and is irrevocable so long as this Deed of Trust remains of record) at any time a Default exists, to make proof of loss, to settle, adjust and compromise any claim under insurance policies on the Property, to appear in and prosecute any action arising from such insurance policies, to collect and receive Insurance Proceeds, and to deduct therefrom Lender's expenses incurred in the adjustment, collection and disbursement of such Insurance Proceeds or otherwise in connection with the Casualty or the Restoration. Each insurance company concerned is hereby irrevocably authorized and directed to make payment of all Insurance Proceeds directly to Lender. Notwithstanding anything to the contrary, Lender shall not be responsible for or incur any liability for any such insurance or for the form or legal sufficiency of insurance contracts, solvency of insurers or payment of losses, and Borrower hereby expressly assumes full responsibility therefor, and all liability, if any thereunder.

4.4.4 **Application of Proceeds.** Subject to applicable law, if, at any time while Lender holds any Insurance Proceeds, Lender shall have the option, in its sole discretion, to apply the Insurance Proceeds to the obligations secured hereby in such order as Lender may determine (or to hold such proceeds for future application to those obligations). Lender may apply the Insurance Proceeds to the obligations secured hereby, if: (i) a Default exists; (ii) Borrower fails to satisfy any condition precedent to disbursement of Insurance Proceeds to pay the cost of the Restoration within a reasonable time; or (iii) Lender determines in its reasonable discretion that (A) Borrower will not have sufficient funds to complete the Restoration and timely pay all expenses of the Property and all payments due under the Loan Agreement and the other Loan Documents through the completion of the Restoration and any leaseup period thereafter, (B) the rental income from the Property will be insufficient to timely pay all expenses of the Property and payments due under the Loan Agreement and the other Loan Documents on an ongoing basis after completion of the Restoration), or (C) the Restoration cannot be completed at least (i) six months prior to the Term Loan Maturity Date or (ii) within twelve months after the date of the Casualty.

4.4.5 **Disbursement of Proceeds.** If Lender is not entitled to apply the Insurance Proceeds to the obligations secured hereby, Lender (or at Lender's election, a disbursing or escrow agent selected by Lender and whose fees shall be paid by Borrower) shall disburse the Insurance Proceeds for the Restoration from time to time as the Restoration progresses, but only after satisfaction, at Borrower's expense, of such conditions precedent to such disbursements as Lender may reasonably require including but not limited to

the following: (i) Borrower shall have delivered to Lender evidence reasonably satisfactory to Lender of the estimated cost of the Restoration and of the schedule and estimated completion date of the Restoration (and such completion date must not be later than the Term Loan Maturity Date); (ii) Lender shall have approved the plans, specifications and contracts for the Restoration; (iii) if applicable, Borrower shall have delivered to Lender funds in addition to the Insurance Proceeds in an amount sufficient in Lender's reasonable judgment to complete and fully pay for the Restoration; (iv) Borrower shall have delivered to Lender such building permits, other permits, architect's certificates, waivers of lien, contractor's sworn statements, title insurance endorsements, plats of survey and other evidence of cost, payment and performance as Lender may reasonably require and approve; and (v) if required by Lender, Borrower shall have entered into an agreement providing in greater detail for the Restoration and the disbursement of Insurance Proceeds. No payment made prior to the final completion of the Restoration shall exceed ninety percent (90%) of the value of the work performed and materials incorporated into the Property from time to time, as such value is determined by Lender in its reasonable judgment. Disbursements may, at Lender's election, be made on a percentage of completion basis or on such other basis as is reasonably acceptable to Lender. Disbursements shall be subject to Borrower's delivery of such lien waivers as Lender may require, and otherwise on terms and subject to conditions acceptable to Lender. From time to time after commencement of the Restoration, if so requested by Lender, Borrower shall deposit with Lender funds in excess of the Insurance Proceeds which, together with the Insurance Proceeds and all funds previously deposited with Lender in connection with the Restoration, must at all times be at least sufficient in the reasonable judgment of Lender to pay the entire unpaid cost of the Restoration. Funds so deposited by Borrower may at Lender's option be disbursed prior to the disbursement of Insurance Proceeds. Lender may retain a construction consultant to inspect the Restoration and related matters on Lender's behalf and to advise Lender with respect thereto and Borrower shall pay the cost thereof; provided that neither Borrower nor any other person or entity other than Lender shall have any right to rely on any inspection or advice of such consultant. Such consultant shall not be the agent of Lender and shall not have the power to bind Lender in any way. Any surplus Insurance Proceeds or other funds held by Lender pursuant to this Section 4.4 that may remain after payment of all costs of the Restoration shall be paid to Borrower (or to such other person or entity as Lender reasonably determines is entitled thereto) so long as no Default or Unmatured Default then exists. Unless required under applicable law, no interest shall be payable to Borrower on account of any Insurance Proceeds or other funds held by Lender pursuant to this Section 4.4, but at Borrower's request, Lender will deposit such amounts into a blocked interest-bearing account with Lender over which Lender has sole possession, authority and control, in which Lender has a perfected first-priority security interest to secure the obligations secured by this Deed of Trust, and otherwise on terms and conditions satisfactory to Lender in its sole discretion. Notwithstanding the above, if a Default exists prior to full disbursement of the Insurance Proceeds and any other funds held by Lender pursuant to this Section 4.4, any undisbursed portion thereof may, at Lender's option, be applied against the obligations secured by this Deed of Trust, whether or not then due, in such order and manner as Lender shall select.

4.4.6 **Effect on the Indebtedness.** Any reduction in the obligations secured hereby resulting from the application of Insurance Proceeds or other funds pursuant to this Section 4.4 shall be deemed to take effect only on the date of such application; provided that, if any Insurance Proceeds are received after the Property is sold in connection with a judicial or nonjudicial foreclosure of this Deed of Trust, or is transferred by deed in lieu of such foreclosure, notwithstanding any limitation on Borrower's liability contained herein or in any other Loan Document, the purchaser at such sale (or the Lender or other grantee under such deed) shall have the right to receive and retain all such Insurance Proceeds and all unearned premiums for all insurance on the Property. No application of Insurance Proceeds or other funds to the obligations secured hereby shall result in any adjustment in the amount or due dates of installments due under the Loan Agreement. No application of Insurance Proceeds to the obligations secured hereby shall, by itself, cure or waive any Default or Unmatured Default or any notice of default under this Deed of Trust or any other Loan Document or invalidate any act done pursuant to such notice or result in the waiver of any collateral securing the Loan Agreement or the Note.

4.5 **Right of Inspection.** Subject to the rights of tenants, Borrower shall permit Lender or its agents or independent contractors (including, but not limited to, appraisers, environmental consultants and construction consultants), at all reasonable times, and upon reasonable advance notice (except in the event of an emergency, in which case no advance notice is required) to enter upon and inspect the Property, without materially and adversely interfering with the use and enjoyment of the Property by Borrower or any tenants of Borrower at the Property.

4.6 **Compliance with Laws; Preservation of Licenses.** Borrower shall comply in all material respects with all easements, licenses and agreements relating to the Property or Borrower's use thereof. Borrower shall observe and comply in all material respects with all requirements necessary to the continued existence and validity of all rights, licenses, permits, privileges, franchises and concessions relating to any existing or presently contemplated use of the Property, including but not limited to any zoning variances, special exceptions and nonconforming use permits.

4.7 **Further Assurances.** Borrower will, at its expense, from time to time execute and deliver any and all such instruments of further assurance and other instruments and do any and all such acts, or cause the same to be done, as Lender deems necessary to grant the Property to Lender or to carry out the purposes of this Deed of Trust.

4.8 **Expenses.** Borrower will pay all costs, fees and expenses reasonably incurred by Lender in connection with this Deed of Trust.

4.9 **Repayment of Expenditures.** Borrower will pay within five (5) days after written demand all amounts secured by this Deed of Trust, other than principal owing under the Note and Loan Agreement and interest accrued thereon, with interest from date of expenditure at the Default Rate and the repayment thereof shall be secured by this Deed of Trust.

4.10 **[reserved]**

4.11 **Tax and Insurance Impounds.**

4.11.1 **Impounds.** In addition to the payments required by the Note and the Loan Agreement, if required by Lender after the occurrence and during the continuance of a Default, Borrower shall pay Lender such sums as Lender may from time to time estimate will be required (a) to pay, at least one (1) month before delinquency, the next-due taxes, assessments, insurance premiums and similar charges affecting the Property (collectively, the "Impositions"), divided by the number of months to elapse before one (1) month prior to the date when the applicable Impositions will become delinquent; and (b) at the option of Lender and to the extent permitted under applicable law, to maintain a reserve equal to one-sixth (1/6th) of the total annual amount of the Impositions. Lender shall hold such amounts without interest or other income to Borrower (unless required under applicable law) to pay the Impositions. If this estimate of the Impositions proves insufficient, Borrower, upon demand by Lender, shall pay Lender such additional sums as may be required to pay the Impositions at least one month before delinquency.

4.11.2 **Application.** If the total of the payments to Lender under subsection 4.11.1 (collectively, the "Impounds") in any one year exceeds the amounts actually paid by Lender for Impositions, all or any portion of such excess may be paid to Borrower or credited by Lender on subsequent payments under this Section. At any time after the occurrence and during the continuance of a Default and at or prior to the foreclosure sale, Lender may apply any balance of Impounds it holds to any of the Secured Obligations and in such order as Lender may elect. If Lender does not so apply such Impounds at or prior to the foreclosure sale, the purchaser at such sale shall be entitled to all such Impounds. If Borrower gives a deed in lieu of foreclosure of this Deed of Trust, the balance of Impounds held by Lender shall become

the property of Lender. Any transfer in fee of all or a part of the Property shall automatically transfer to the grantee all or a proportionate part of Borrower's rights and interest in the Impounds. Borrower hereby grants to Lender a lien on and security interest in the Impounds as security for the obligations secured by this Deed of Trust.

4.11.3 **Tax Reporting Service.** Lender may, but need not, contract with a tax reporting service covering the Property. Borrower agrees that Lender may rely on the information furnished by such tax service and agrees to pay the cost of that service within thirty (30) days after receipt of a billing for it.

4.12 **Leasing Matters.**

4.12.1 **Representations and Warranties.** At all times in which there are Leases, Borrower represents: (a) Borrower has good and marketable title to the Leases and Rents free and clear of all claims and Liens; (b) the Leases are valid, binding and enforceable and unmodified, and Borrower is not in default of any of the material terms and provisions of the Leases; (c) none of the Leases or the Rents has been assigned or otherwise pledged or hypothecated except to Lender; (d) the Rents now due or to become due for any period subsequent to the date hereof have not been collected and payment thereof has not been made for a period of more than one (1) month in advance, waived or released, discounted, set off or otherwise discharged or compromised; (e) Borrower has not received any funds or deposits from any tenant for which credit has not already been made on account of accrued Rents other than security deposits required by the Leases; (f) the premises demised under the Leases have been completed and the tenants under the Leases have accepted the same and have taken possession of the same on a rent-paying basis; (g) there exists no offset or defense to the payment of any portion of the Rents; (h) no Lease contains an option to purchase, right of first refusal to purchase, expansion right, or any other similar provision; and (i) no Person has any possessory interest in, or right to occupy the Property except under and pursuant to a Lease.

4.12.2 **Right of Subordination.** Notwithstanding anything in this Deed of Trust to the contrary, Lender may, upon written notice to Borrower, elect to: (a) exclude from the assignment provided in this Deed of Trust any of the Leases as specified in such notice so that the interest under such specified Lease is not assigned to Lender; (b) subordinate the lien and other terms and provisions of this Deed of Trust to any of the Leases as indicated in such notice to Borrower; and (c) require Borrower to use best efforts to obtain a subordination, nondisturbance and attornment agreement, in form and substance approved by Lender, from any of the tenants under any of the Leases as indicated in such notice to Borrower.

4.12.3 **Security Deposits.** Borrower shall maintain all security deposits collected from tenants or others with respect to the Property in accordance with all applicable legal requirements.

4.13 **Condominium and Cooperative Provisions.** Borrower represents that the Property is not subject to a recorded condominium plan, map or regime or a cooperative regime on the date of this Deed of Trust. Borrower will not subject the Property or any portion thereof to such a plan, map or regime without the prior written consent of Lender, which consent may be granted or denied in Lender's sole discretion and, if granted, may be subject to such requirements as Lender may impose including but not limited to Borrower providing Lender with such title insurance endorsements and other documents as Lender may require.

4.14 **Use of Property; Zoning Changes.** Unless required by applicable law or approved by Lender in writing, Borrower shall not: (a) allow changes in the use for which all or any part of the Property is being used at the time this Deed of Trust is executed; (b) convert any individual dwelling unit or common area in the Property to primarily commercial use or any commercial space or common area in the Property

to primarily residential use; or (c) initiate or acquiesce in a change in the zoning classification of the Property.

4.15 **Permits.** The Property includes certain permits, licenses, certificates and approvals relating to the construction or operation of the Land and the existing and future Improvements (“Permits”). Upon the occurrence and during the continuance of a Default, Lender shall have the right but not the obligation, and Borrower hereby authorizes Lender, to enforce Borrower’s rights with respect to the Permits and the other Property. Effective upon the occurrence and during the continuance of a Default, Borrower hereby irrevocably constitutes and appoints Lender as its attorney in fact, coupled with an interest, to demand, receive and enforce Borrower’s rights with respect to the Permits and the other Property, to give appropriate receipts, releases and satisfactions for and on behalf of Borrower and to do any and all acts in the name of Borrower or in the name of Lender with the same force and effect as if Borrower had performed such acts. Lender does not hereby assume any of Borrower’s obligations or duties with respect to the Permits or any other Property, including, without limitation, the obligation to pay for the preparation or issuance thereof. Borrower represents and warrants that it has not previously conveyed, transferred or assigned the Permits or any other Property or any right, title or interest therein and has not executed any other instrument which might prevent or limit Lender from operating under the terms and provisions of this Section, and Borrower covenants and agrees not to do any of the foregoing.

4.16 **Management of the Property.** The Borrower represents that the Property is not as of the date hereof managed by a property management company. Borrower will provide Lender thirty (30) days’ prior written notice if Borrower intends to retain a property management company to manage the Property and will not retain such property management company without obtaining the prior written consent of Lender, which will not unreasonably be withheld. Lender reserves the right (a) to review and approve the proposed property management agreement between Borrower and the property manager and any material changes thereto, including, but not limited to, changes in the responsibilities of the property manager, and (b) to require that the property management company enter into such agreements with Lender, as Lender may reasonably require. Borrower will submit such requests to Lender in writing.

4.17 **Rights of Lender.** In addition to Lender’s rights as a “Secured Party” under the UCC, Lender may, but shall not be obligated to, at any time without notice and at the expense of Borrower: (a) give notice to any Person of Lender’s rights hereunder and enforce such rights at law or in equity; (b) insure, protect, defend and preserve the Property or any rights or interests of Lender therein; (c) inspect the Property; and (d) endorse, collect and receive any right to payment of money owing to Borrower under or from the Property. Notwithstanding the above, in no event shall Lender be deemed to have accepted any property other than cash in satisfaction of any obligation of Borrower to Lender unless Lender shall make an express written election of such remedy under the UCC or other applicable law.

5. **Default.**

5.1 **Definition.** Any of the following shall constitute a “Default” as that term is used in this Deed of Trust:

(a) Any “Default” (as defined in the Loan Agreement) occurs and is continuing;

(b) Borrower or any other signatory thereto shall default in the performance of any covenant or agreement contained in any mortgage, deed of trust, similar security instrument, lien or security interest encumbering any or all of the Property, or the note or any other agreement evidencing or securing the indebtedness secured thereby, which default continues beyond any applicable cure period.

5.2 Lender's Right to Perform. After the occurrence and during the continuance of any Default, Lender, but without the obligation so to do and without notice to or demand upon Borrower and without releasing Borrower from any obligations hereunder, may: make any payments or do any acts required of Borrower hereunder in such manner and to such extent as either may deem necessary to protect the security hereof, Lender being authorized to enter upon the Property for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Lender; pay, purchase, contest or compromise any encumbrance, charge or lien in accordance with the following paragraph; and in exercising any such powers, pay necessary expenses and engage counsel. All sums so expended shall be payable by Borrower on demand, be secured hereby and bear interest at the Default Rate from the date advanced or expended until repaid and shall be payable by Borrower to Lender on demand.

Lender, in making any payment herein, is hereby authorized, in the place and stead of Borrower, in the case of a payment of taxes, assessments, water rates, sewer rentals and other governmental or municipal charges, fines, impositions or liens asserted against the Property, to make such payment in reliance on any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of the bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; in the case of any apparent or threatened adverse claim of title, lien, statement of lien, encumbrance, deed of trust, mortgage, claim or charge, Lender shall be the sole judge of the legality or validity of same; and in the case of a payment for any other purpose herein and hereby authorized, but not enumerated in this paragraph, such payment may be made whenever, in the sole judgment and discretion of Lender such advance or advances shall seem necessary or desirable to protect the full security intended to be created by this Deed of Trust, provided further, that in connection with any such advance, Lender at its option may and is hereby authorized to obtain a title endorsement or continuation report of title prepared by a title insurance company, the costs and expenses of which shall be repayable by Borrower without demand and shall be secured hereby.

5.3 Remedies on Default. Upon the occurrence of any Default, all sums secured hereby shall become immediately due and payable, without notice or demand, at the option of Lender or as otherwise provided in the Loan Agreement, and Lender may:

5.3.1 Have a receiver appointed as a matter of right and without regard to the sufficiency of the Property or any other security for the indebtedness secured hereby and without the necessity of posting any bond or other security. Such receiver shall take possession and control of the Property and shall collect and receive the Rents. If Lender elects to seek the appointment of a receiver for the Property, Borrower, by its execution of this Deed of Trust, expressly consents to the appointment of such receiver. The receiver shall be entitled to receive a reasonable fee for managing the Property, which fee may be deducted from the Rents or may be paid by Lender and added to the indebtedness secured by this Deed of Trust. Immediately upon appointment of a receiver, Borrower shall surrender possession of the Property to the receiver and shall deliver to the receiver all documents, records (including records on electronic or magnetic media), accounts, surveys, plans, and specifications relating to the Property and all security deposits. If the Rents are not sufficient to pay the costs of taking control of and managing the Property and collecting the Rents, any funds expended by Lender, or advanced by Lender to the receiver, for such purposes shall become an additional part of the indebtedness secured by this Deed of Trust. The receiver may exclude Borrower and its representatives from the Property. Borrower acknowledges and agrees that the exercise by Lender of any of the rights conferred under this Section 5.3 shall not be construed to make Lender a mortgagee-in-possession of the Property so long as Lender has not itself entered into actual possession of the Property.

5.3.2 Foreclose this Deed of Trust pursuant to a judicial foreclosure proceeding or otherwise realize upon the Property.

5.3.3 Exercise its power of sale, to the extent permitted by applicable law.

5.3.4 Avail itself of any other right or remedy available to it under the terms of this Deed of Trust, the other Loan Documents or applicable law, including, but not limited to, the right to conduct a unified sale of real and personal property collateral and the other rights and remedies under the UCC.

5.4 **No Waiver re Late or Partial Payments.** By accepting payment of any sum secured hereby after its due date, Lender does not waive its right either to require prompt payment when due of that or any other portion of the obligations secured by this Deed of Trust. Lender may from time to time accept and apply any one or more payments of less than the full amount then due and payable on such obligations without waiving any Unmatured Default, Default, acceleration or other right or remedy of any nature whatsoever.

5.5 **Waiver of Marshaling, Etc.** In connection with any foreclosure or other sale under this Deed of Trust, Borrower hereby waives, for itself and all others claiming by, through or under Borrower, any right Borrower or such others would otherwise have to require marshaling or to require that the Property be sold in parcels or in any particular order.

5.6 **Remedies Cumulative; Subrogation.** The rights and remedies accorded by this Deed of Trust shall be in addition to, and not in substitution of, any rights or remedies available under now existing or hereafter arising applicable law. All rights and remedies provided for in this Deed of Trust or afforded by law or equity are distinct and cumulative and may be exercised concurrently, independently or successively. The failure on the part of Lender to promptly enforce any right hereunder shall not operate as a waiver of such right, and the waiver of any Unmatured Default or Default shall not constitute a waiver of any subsequent or other Unmatured Default or Default. Lender shall be subrogated to the claims and liens of those whose claims or liens are discharged or paid with the Loan proceeds.

6. **Condemnation, Etc.** Any and all awards of damages ("Awards"), whether paid as a result of judgment or prior settlement, in connection with any condemnation or other taking of any portion of the Property for public or private use, or for injury to any portion of the Property ("Condemnation"), are hereby assigned and shall be paid to Lender which may apply or disburse such Awards in the same manner, on the same terms, subject to the same conditions, to the same extent, and with the same effect as provided in Section 4.4 above for disposition of Insurance Proceeds. Unless otherwise instructed by Lender, regardless of whether the Awards are sufficient for the purpose, Borrower shall promptly commence and diligently pursue to completion in a good, workmanlike and lien-free manner the restoration, replacement and rebuilding of the Property as nearly as possible to its value, condition and character immediately prior to the Condemnation if any of the Award is made available to Borrower for such purpose. Without limiting the generality of the foregoing, if the Condemnation results in a loss of the Property to an extent that, in the reasonable opinion of Lender, renders or is likely to render the Property not economically viable or not as valuable as it would have been if no Condemnation had occurred, or if, in Lender's reasonable judgment, Lender's security is otherwise impaired or if a Default exists, Lender may apply the Awards to reduce the unpaid obligations secured hereby in such order as Lender may determine, and without any adjustment in the amount or due dates of installments due under the Loan Agreement. If so applied, any Awards in excess of the unpaid balance of the Note and other sums owing to Lender under the Loan Documents or otherwise shall be paid to Borrower or Borrower's assignee. Lender shall in no case be obligated to see to the proper application of any amount paid over to Borrower. Such application or release shall not cure or waive any Default or Unmatured Default or notice of default hereunder or under any other Loan Document or invalidate any act done pursuant to such notice. Immediately upon receiving written notice of the institution or threatened institution of any proceeding for a Condemnation, Borrower shall notify Lender of such fact. Borrower shall then file or defend its rights thereunder and prosecute the same with due diligence to its final disposition; provided, however, that Borrower shall not enter into any settlement of such proceeding

without the prior approval of Lender. Lender shall be entitled, at its option, to appear in any such proceeding in its own name, and upon the occurrence and during the continuation of a Default or if Borrower fails to diligently prosecute such proceeding, (a) Lender shall be entitled, at its option, to commence, appear in and prosecute any such proceeding or to make any compromise or settlement in connection with such Condemnation and obtain all Awards or other relief therefor, on behalf of itself or Borrower, and (b) Borrower hereby irrevocably constitutes and appoints Lender as its attorney-in-fact, and such appointment is coupled with an interest, to commence, appear in and prosecute such action or proceeding or to make such compromise or settlement in connection with any such Condemnation on its behalf. The foregoing appointment is irrevocable, and such rights, powers and privileges shall be exclusive in Lender, its successors and assigns. Borrower agrees to pay Lender's costs and reasonable attorneys' fees incurred in connection therewith. Lender shall have no obligation to take any action in connection with any actual or threatened Condemnation or other proceeding.

7. **Notices.** Any notice to or demand on Borrower or Lender in connection with this Deed of Trust or the obligations secured hereby shall be given in accordance with Section 8.01 of the Loan Agreement, provided that any notice required by statute for any judicial or non-judicial foreclosure of this Deed of Trust shall be given in accordance with such statute.

8. **Modifications, Etc.** Each Person now or hereafter owning any interest in the Property agrees, by executing this Deed of Trust or taking the Property subject to it, that Lender may in its sole discretion and without notice to or consent of any such Person: (a) extend the time for payment of the obligations secured hereby; (b) discharge or release any one or more parties from their liability for such obligations in whole or in part; (c) delay any action to collect on such obligations or to realize on any collateral therefor; (d) release or fail to perfect any security for such obligations; (e) consent to one or more transfers of the Property, in whole or in part, on any terms; (f) waive or release any of holder's rights under any of the Loan Documents; (g) agree to an increase in the amount of such obligations or to any other modification of such obligations or of the Loan Documents; or (h) proceed against such Person before, at the same time as, or after it proceeds against any other Person liable for such obligations.

9. **Successors and Assigns.** All provisions herein contained shall be binding upon and inure to the benefit of the respective successors and assigns of the parties, subject to the restrictions set forth in the Loan Documents on sales, leases, exchanges, conveyances, transfers, mortgages, assignments, pledges and encumbrances and other transactions by Borrower.

10. **Governing Law; Severability.** This Deed of Trust and the other Loan Documents shall be construed in accordance with and governed by the internal laws (and not the law of conflicts) of the state where the Property is located, except to the extent preempted by federal laws applicable to national banks. Any provision of this Deed of Trust or any other Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof or thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

11. **Borrower's Right to Possession.** Borrower may be and remain in possession of the Property for so long as no Default exists and Borrower may, while it is entitled to possession of the Property, use the same.

12. **Maximum Interest.** The provisions of Section 8.16 of the Loan Agreement apply to any interest accruing or owing under this Deed of Trust or any other Loan Document.

13. **Attorneys' Fees and Legal Expenses.** In the event of any Default under this Deed of Trust, or in the event that any dispute arises relating to the interpretation, enforcement or performance of any obligation secured by this Deed of Trust, Lender shall be entitled to collect from Borrower on demand all reasonable fees and expenses incurred in connection therewith, including but not limited to reasonable fees of attorneys, accountants, appraisers, environmental inspectors, consultants, expert witnesses, arbitrators, mediators and court reporters. Without limiting the generality of the foregoing, Borrower shall pay all such costs and expenses incurred in connection with: (a) arbitration or other alternative dispute resolution proceedings, trial court actions and appeals; (b) bankruptcy or other insolvency proceedings of Borrower or any Person liable for any of the obligations secured by this Deed of Trust or any party having any interest in any security for any of those obligations; (c) judicial or nonjudicial foreclosure on, or appointment of a receiver for, any of the Property; (d) post-judgment collection proceedings; (e) all claims, counterclaims, cross-claims and defenses asserted in any of the foregoing whether or not they arise out of or are related to this Deed of Trust; (f) all preparation for any of the foregoing; and (g) all settlement negotiations with respect to any of the foregoing.

14. **Prepayment Provisions.** If, at any time after a Default and acceleration of the indebtedness secured hereby, there shall be a tender of payment of the amount necessary to satisfy such indebtedness by or on behalf of Borrower, its successors or assigns, the same shall be deemed to be a voluntary prepayment such that the sum required to satisfy such indebtedness in full shall include, to the extent permitted by law, any additional payment required for a prepayment as stated in the Loan Agreement and other Loan Documents.

15. **Time Is of the Essence.** Time is of the essence under this Deed of Trust and the other Loan Documents and in the performance of every term, covenant and obligation contained herein and therein.

16. **Miscellaneous.**

16.1 Whenever the context so requires the singular number includes the plural herein, and the impersonal includes the personal.

16.2 The headings to the various sections have been inserted for convenient reference only and shall not modify, define, limit or expand the express provisions of this Deed of Trust.

16.3 This Deed of Trust and the other Loan Documents constitute the final expression of the entire agreement of the parties with respect to the transactions set forth therein. No party is relying upon any oral agreement or other understanding not expressly set forth in the Loan Documents. No provision of this Deed of Trust or any other Loan Document may be waived, amended or modified except pursuant to an agreement or agreements in writing executed by the party sought to be charged with such waiver, amendment or modification.

16.4 No Person shall be a third party beneficiary of this Deed of Trust or any other Loan Document.

16.5 The existence of any violation of any provision of this Deed of Trust or the other Loan Documents (including but not limited to building or health code violations) as of the date of this Deed of Trust, whether or not known to Lender, shall not be deemed to be a waiver of any of Lender's rights under any of the Loan Documents, including, but not limited to, Lender's right to enforce Borrower's obligations to repair and maintain the Property.

16.6 Borrower hereby waives to the fullest extent permitted by applicable law the right to plead, use or assert any statute of limitations as a plea, defense or bar of any kind, or for any purpose, to any

obligation secured by this Deed of Trust, or to any complaint or other pleading or proceeding filed, instituted or maintained for the purpose of enforcing this Deed of Trust or any rights hereunder.

16.7 No merger shall occur as a result of Borrower's or Lender's acquisition of any other estate, right, title or interest in or in connection with the Property unless Lender consents to a merger in writing.

17. **Request for Notice.** Borrower hereby requests that a copy of any notice of default and any notice of sale hereunder be mailed to it at the address set forth in the first paragraph of this Deed of Trust.

18. **Waiver Of Jury Trial.** The parties hereto hereby agree to the provisions of Section 8.10 (WAIVER OF JURY TRIAL; JUDICIAL REFERENCE) of the Loan Agreement which are incorporated herein as if set forth herein in full.

19. **Incorporated Utah Covenants.** [Reserved] [NTD: deleted the reference to the Nevada statutory covenants; Utah doesn't have an equivalent]

[Remainder of this page intentionally left blank]

DATED as of the day and year first above written.

Quantronix, Inc.

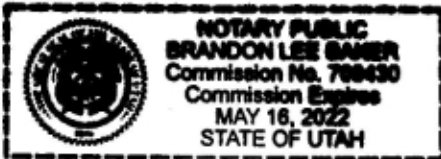
By: 
Clark Skeen, Treasurer

ACKNOWLEDGEMENT

STATE OF Utah)
) SS.
COUNTY OF Salt Lake)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that Clark Skeen personally known to me to be the Treasurer of Quantronix, Inc. appeared before me this day in person and acknowledged that, as Clark Skeen, he signed and delivered such instrument as his free and voluntary act, and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and official seal, this 9th day of December, 2020.




Notary Public

My Commission Expires:

EXHIBIT A

Legal Description

PARCEL 1:

BEGINNING AT A POINT WHICH IS NORTH 0°07'50" WEST 873.14 FEET ALONG THE SECTION LINE FROM THE SOUTHEAST CORNER OF SECTION 24, TOWNSHIP 3 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, DAVIS COUNTY, UTAH; AND RUNNING THENCE DUE EAST 25.50 FEET; THENCE NORTH 0°07'50" WEST 20.00 FEET; THENCE SOUTH 89°52'10" WEST 251.88 FEET; THENCE DUE NORTH 30.06 FEET TO THE SOUTH LINE OF THE PROPERTY CONVEYED IN DEED RECORDED FEBRUARY 28, 1994 IN BOOK 1729, PAGE 50; THENCE SOUTH 89°52'10" WEST 368.97 FEET TO THE STATE ROAD COMMISSION PROPERTY; THENCE SOUTH 24°43'36" EAST 191.92 FEET; THENCE SOUTH 34°30'39" EAST 71.89 FEET; THENCE NORTH 89°40'30" EAST 246.41 FEET TO THE PROPERTY CONVEYED IN DEED RECORDED JULY 31, 1987, IN BOOK 1184, PAGE 622 OF THE DAVIS COUNTY RECORDER; THENCE ALONG THE WEST LINE AND NORTH LINE OF SAID PROPERTY THE FOLLOWING COURSES AND DISTANCES; NORTH 0°07'50" WEST 183.00 FEET, NORTH 89°52'10" EAST 228.40 FEET TO THE POINT OF BEGINNING.

PARCEL 1A (EASEMENT ESTATE):

NON-EXCLUSIVE RIGHTS OF INGRESS AND EGRESS ESTABLISHED PURSUANT TO THAT CERTAIN RECIPROCAL AGREEMENT RECORDED APRIL 22, 1996 AT ENTRY NO. 1242759 IN BOOK 1992 AT PAGE 1463 OF OFFICIAL RECORDS, OVER THE FOLLOWING:

BEING A PART OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 3 NORTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, U.S. SURVEY: BEGINNING AT A POINT WHICH IS NORTH 0°07'50" WEST 923.14 FEET AND SOUTH 89°52'10" WEST 595.21 FEET FROM THE SOUTHEAST CORNER OF SAID QUARTER SECTION; RUNNING THENCE NORTH 89°52'10" EAST 622.81 FEET; THENCE SOUTH 0°07'50" EAST 40.00 FEET; THENCE WEST 253.9 FEET; THENCE NORTH 58° WEST 37 FEET, MORE OR LESS, TO A POINT 20 FEET SOUTH OF LAND CONVEYED BY DEED RECORDED IN BOOK 1729, AT PAGE 50 RECORDS OF DAVIS COUNTY; THENCE SOUTH 89°52'10" WEST 335 FEET, MORE OR LESS, TO A POINT SOUTH 24°43'36" EAST OF THE POINT OF BEGINNING; THENCE NORTH 24°43'36" WEST 21.99 FEET TO SAID POINT OF BEGINNING.

APN: 08-087-0135 (Parcel 1)

PROPERTY ADDRESSES: 314 SOUTH 200 WEST
FARMINGTON, UT 84025