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Book - 10650 Pg - 7674-7698
ADAM GARDINER
Recorder, Salt Lake County, UT
MOUNTAIN VIEW TITLE & ESCROW
BY: eCASH, DEPUTY - EF 25 P.

When Recorded, Return To:

Avid Commercial, LLC d/b/a Quorus Commercial
Attention: Kevin Vance
6995 Union Park Center, Suite 350
Cottonwood Heights, Utah 84047

160081

20-24-201-018

Space Above This Line for Recorder's Use

NOTICE OF CONFIDENTIALITY RIGHTS: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: Your social security number or your driver's license number.

NOTICE: THIS DOCUMENT ALSO SERVES AS A FIXTURE FILING IN ACCORDANCE WITH THE UNIFORM COMMERCIAL CODE OR "UCC".

**DEED OF TRUST, ASSIGNMENT OF LEASES,
SECURITY AGREEMENT, AND FIXTURE FINANCING STATEMENT**

THIS DEED OF TRUST, ASSIGNMENT OF LEASES, SECURITY AGREEMENT, AND FIXTURE FINANCING STATEMENT (this "*Deed of Trust*") dated February 26, 2018, is made by Hundred Acre Wood, L.C., a Utah Limited Liability Company, with an address at 2272 East Edgemoor Drive, Holladay, UT 84117 ("*Trustor*"), to Mountain View Title & Escrow Co., with an address of 5732 S. 1475 E., #100, Ogden, UT 84403 ("*Trustee*"), for the benefit of Avid Commercial, LLC d/b/a Quorus Commercial, 6995 Union Park Center, Suite 350, Cottonwood Heights, UT 84047 ("*Beneficiary*"). Trustee and Beneficiary are "Beneficiaries" for recordation purposes.

**ARTICLE 1
OBLIGATIONS; SECURITY**

1.1 ***Obligations; Financing Agreements.*** This Deed of Trust is made in trust and is executed, acknowledged and delivered by Trustor to secure and enforce the following obligations and liabilities (collectively, the "*Obligations*"):

(a) The payment and performance of the present indebtedness and other obligations from Trustor to Beneficiary, as evidenced by that certain Promissory Note of even date herewith (hereinafter, and together with all other Loan and Related Documents entered in

connection therewith, whether one or more, called the "Note") executed and delivered by Trustor to Beneficiary, or order, in the original sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) (as the same may be amended, restated, modified or replaced in substitution from time to time); and all sums now or in the future advanced or coming due or required to be paid under the Lease or this Deed of Trust (as the same may be amended, modified, supplemented or restated, the Note and this Deed of Trust, collectively the "Financing Agreements"), whether for principal, interest, fees, costs, charges, expenses, or other amounts owing under reimbursement or indemnification obligations under any of the Financing Agreements, whether such advances are voluntary or obligatory, presently existing or come into existence at some future time, made or incurred at the request of Trustor or Beneficiary; and

(b) The performance of all of the terms, covenants, conditions, agreements, obligations and liabilities of Trustor under (i) the Financing Agreements and any other document now or hereafter given to evidence, secure or facilitate the payment and performance of any of the Obligations; and (ii) all extensions, renewals, replacements or modifications of, or amendments or additions to any of the foregoing. Trustor shall pay and perform the Obligations required of Trustor in accordance with the provisions of the Financing Agreements.

1.2 **Grant of Trust; Trust Property.** For the purpose of securing payment and performance of all Obligations, Trustor has granted, conveyed, bargained, sold, released, confirmed, mortgaged and granted a security interest in, and does hereby grant, convey, bargain, sell, release, confirm, mortgage and grant a security interest unto Trustee in trust with power of sale, for the benefit of Beneficiary, its successors and assigns, to have and to hold, all and singular right, title and interest, of Trustor in and to all of the following whether presently in existence or to come into existence at some future time (collectively, the "Trust Property"):

(a) The real property located in Salt Lake County, State of Utah, which is described on Exhibit A hereto (the "Property");

(b) All buildings, structures and improvements of every kind erected on, under or over the Lands (the "Improvements") (the Property and the Improvements being hereinafter referred to as, collectively, the "Real Estate");

(c) All building materials, fixtures, building machinery and building equipment delivered on site to the Real Estate during the course of, or in connection with, the construction of, or reconstruction of, or remodeling of, any of the Real Estate from time to time during the term hereof;

(d) All fixtures, machinery, equipment and other articles of real, personal or mixed property attached to, situated or installed in or upon, or used in the operation or maintenance of, the Real Estate, whether or not such real, personal or mixed property is or shall be affixed to the same, and all replacements, substitutions, accretions and proceeds of the foregoing (collectively, "Fixtures") including:

(i) all furnishings, furniture, and appliances; all articles of interior decoration, floor, wall and window coverings, all office fixtures and equipment; all supplies, tools,

accessories, all storm and screen windows, shutters, doors, awnings, signs, trees, and other plantings; and

(ii) all building service fixtures, machinery and equipment of any kind whatsoever, all lighting, heating, ventilating, air conditioning, refrigerating, sprinkling, plumbing, security, cleaning, incinerating, waste disposal, communications, alarm, fire prevention and extinguishing systems, fixtures, apparatus, machinery and equipment, all elevators, escalators, lifts, cranes, hoists and platforms, all pipes, conduits, pumps, boilers, tanks, motors, engines, furnaces and compressors, all transformers, generators, and all parts, fittings, accessories, accessions, substitutions and replacements thereof;

(e) All leases, licenses, occupancy agreements or agreements to lease all or any part of the Real Estate and all extensions, renewals, amendments, and modifications thereof, and any options, rights of first refusal, or guarantees relating thereto (collectively, "*Leases*"); all rents, income, receipts, revenues, security deposits, escrow accounts, reserves, issues, profits, awards, and payments of any kind payable under the Leases or otherwise arising from the Real Estate (collectively, the "*Income*"); all contract rights, accounts receivable and general intangibles of Trustor relating to the Real Estate or the use, occupancy, maintenance, construction, repair or operation thereof; all management agreements, franchise agreements, utility agreements and deposits, building service contracts, maintenance contracts, construction contracts, architect's agreements; all maps, plans, surveys and specifications; all warranties and guaranties; all permits, licenses and approvals; all insurance policies, books of account and other documents, of whatever kind or character, relating to the use, construction upon, occupancy, leasing, sale or operation of the Real Estate;

(f) All estates, rights, tenements, hereditaments, privileges, easements, and appurtenances of any kind benefiting the Real Estate; all means of access to and from the Real Estate, whether public or private; all water and mineral rights; all rights of Trustor as declarant or unit owner under any declaration of condominium or association applicable to the Real Estate; and all other claims or demands of Trustor, either at law or in equity, in possession or expectancy, of, in, or to the Real Estate; and

(g) All "*Proceeds*" of any of the above-described property, which term shall have the meaning given to it in the Uniform Commercial Code of the state in which the Real Estate is located and shall additionally include whatever is received upon the use, lease, sale, exchange, collection, or other utilization or any disposition of any of the above-described property, voluntary or involuntary, whether cash or non-cash, including proceeds of insurance and condemnation awards, rental or lease payments, accounts, chattel paper, instruments, documents, contract rights, general intangibles, equipment and inventory.

TO HAVE AND TO HOLD the Trust Property unto the Trustee for the benefit of the Beneficiary in accordance with the provisions of this Deed of Trust.

1.3 ***Security Agreement.*** This Deed of Trust is also a security agreement under the Uniform Commercial Code. Trustor grants, and Beneficiary shall have and may enforce, a security interest in all those property interests included in the Trust Property which may be

“personal property”, fixtures, as-extracted collateral (including oil and gas and timber to be cut), accounts and general intangibles of Trustor under the UCC to secure payment and performance of all Obligations. The recordation of this Deed of Trust shall also constitute a fixture filing in accordance with the provisions of the UCC. Trustor shall execute, deliver, file and refile any financing statements, continuation statements, or other security agreements Beneficiary may require to confirm the lien of this Deed of Trust with respect to such property. Inasmuch as the parties intend that this Deed of Trust shall, among other things, constitute a fixture filing, Trustor sets forth the following:

- (a) The debtor is the Trustor;
- (b) The secured party is the Beneficiary;
- (c) The collateral includes Fixtures which are or shall be affixed to the Real Estate; and
- (d) The record owner of the Real Estate is Trustor.

1.4 *Assignment of Leases and Income.*

(a) This Deed of Trust is also a present and unconditional assignment to Beneficiary of all Leases and Income. Trustor hereby assigns, transfers and sets over to Beneficiary all Leases, all Income and all rights of Trustor to enforce the Leases and collect the Income.

(b) Following an Event of Default, Trustor irrevocably appoints Beneficiary the attorney-in-fact of Trustor to enforce the Leases and demand, receive and collect the Income and the sole and exclusive agent of Trustor to agree to any modifications of the Leases. This power is coupled with an interest and is therefore irrevocable. Following an Event of Default, Trustor shall notify any person which Beneficiary may from time to time specify that the Income should be paid directly to Beneficiary and that any modification of the Leases must be approved by Beneficiary.

(c) So long as Trustor is not in default in any respect under any of the Financing Agreements, Trustor shall have a license, revocable at the will of Beneficiary, to enforce the Leases and collect the Income subject to any applicable provisions contained in the Financing Agreements. Upon request of Beneficiary following an Event of Default, Trustor shall execute and deliver to Beneficiary (i) a specific assignment, in recordable form, of any Lease now or hereafter affecting the Trust Property or any portion thereof to further evidence the assignment hereby made; and (ii) such other instruments as Beneficiary may deem necessary, convenient or appropriate in connection with the payment and delivery directly to Beneficiary of all of the Income.

(d) Trustor shall not encumber or further assign the Leases or the Income or any part thereof or any interest therein without the prior written consent of Beneficiary.

(e) Trustor hereby authorizes and directs that all other parties now or hereafter owing or paying Income under any Lease or now or hereafter having in their possession or control any Income from or allocated to the Trust Property, or any part thereof, or the Proceeds therefrom, shall, upon the request of Beneficiary following an Event of Default by Trustor and until Beneficiary directs otherwise, pay and deliver such Income directly to Beneficiary at Beneficiary's address set forth in the introduction to this Deed of Trust, or in such other manner as Beneficiary may direct such parties in writing and this authorization shall continue until this Deed of Trust is released of record. No payor making payments to Beneficiary at its request under the assignment contained in this Deed of Trust shall have any responsibility to see to the application of any of such funds, and any party paying or delivering Income to Beneficiary under such assignment shall be released thereby from any and all liability to Trustor to the full extent and amount of all such Income so delivered. Trustor agrees to indemnify and hold harmless any and all parties making payments to Beneficiary, at Beneficiary's request under the assignment contained in this Deed of Trust, against any and all liabilities, actions, claims, judgments, costs, charges and attorneys' fees resulting from the delivery of such payments to Beneficiary.

(f) Notwithstanding any legal presumption to the contrary, Beneficiary shall not be obligated by reason of its acceptance of this assignment to perform any obligation of Trustor as lessor under any Lease. Neither the acceptance of this assignment nor the collection of Income under the Leases shall constitute a waiver of any rights of Beneficiary under the Financing Agreements or constitute a cure of any default by Trustor thereunder.

ARTICLE 2 TITLE MATTERS

2.1 *No Transfer.* Without the prior written consent of Beneficiary in each instance, which consent may be given or withheld in Beneficiary's sole and absolute discretion, Trustor will abstain from, and will not cause or permit, any transfer of the Real Estate or any portion thereof, whether voluntary, involuntary, by operation of law, or otherwise, nor shall Trustor enter into any agreement or transaction to transfer, or accomplish in form or substance a transfer, of the Trust Property.

(a) A "*transfer*" of the Trust Property includes (i) the direct or indirect sale, agreement to sell, transfer or conveyance of the Trust Property or any portion thereof or interest therein; (ii) the execution of any installment land sale contract or similar instrument affecting all or a portion of the Trust Property; (iii) the lease or sublease of all or a portion of the Trust Property, outside the ordinary course of business; and (iv) the transfer of the majority interest in any stock, partnership, company or other ownership interests in Trustor (if Trustor is a partnership, joint venture, limited liability company or corporation).

(b) Consent to any such transfer shall not be deemed to be a waiver of the right to require consent to future or successive transfers. If consent should be given to a transfer and if this Deed of Trust is not released to the extent of the transferred portion of the Trust Property by a writing signed by Trustee and Beneficiary and recorded in the appropriate office of public record, then any such transfer shall be subject to this Deed of Trust and any such transferee shall be deemed, by acceptance of the deed or other instrument of transfer, to have assumed all Obligations

under this Deed of Trust and to have agreed to be bound by all provisions contained herein. Any such assumption shall not, however, release Trustor or any other obligor or guarantor of the Obligations from any liability under the Financing Agreements.

2.2 **No Other Financing or Liens.** Without the prior written consent of Beneficiary in each instance, which consent may be given or withheld in Beneficiary's sole discretion, Trustor shall not create or cause or permit to exist any lien on the Trust Property whether superior to or subject to the lien of this Deed of Trust.

2.3 **Leases.** There are no Leases affecting the Trust Property, outside the ordinary course of business consistent with past practice. Trustor shall not enter into any Leases outside the ordinary course of business without the prior written consent of Beneficiary being obtained in each instance.

ARTICLE 3 OBLIGATIONS REGARDING TRUST PROPERTY

3.1 **Legal Requirements Generally.** Trustor shall promptly comply with, and cause the Trust Property to be kept in compliance with, all present and future laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations, restrictions and requirements (collectively "*Legal Requirements*") of the United States of America, the State in which the Trust Property is situated and any political subdivision thereof or any town, city, county or municipality in which the Real Estate is located or any agency, department, bureau, board, commission or instrumentality of any of the foregoing now existing or hereafter created (individually, a "*Governmental Authority*" and, collectively, "*Governmental Authorities*") having jurisdiction over Trustor or the Trust Property or the construction, use, occupancy, operation, maintenance, or improvement of the Trust Property, whether foreseen or unforeseen, ordinary or extraordinary.

3.2 **Land Use Approvals.** Trustor shall not, without the prior written consent of Beneficiary, submit or cause to be submitted to any Governmental Authority an application for zoning, subdivision or development approval affecting the Real Estate if any of the following would result from such proposed zoning change, subdivision or development: (a) the separate transfer, use and ownership of the Real Estate is not permitted as a matter of right under applicable Legal Requirements; (b) the use of the Real Estate as of the date of this Deed of Trust is no longer permitted as a matter of right under applicable Legal Requirements; or (c) any portion of the Real Estate is used to fulfill a Legal Requirement of other property not subject to the lien of this Deed of Trust.

3.3 **Environmental Matters.** Trustor shall comply with, and cause the Trust Property to be kept in compliance with, all Legal Requirements related to environmental, safety, land use and other similar matters ("*Environmental Laws*").

3.4 **General Obligations.** Until the Obligations are fully satisfied, Trustor shall:

(a) Perform all maintenance, repair, restoration and rebuilding required to keep the Trust Property in good repair, order and condition in full compliance with the requirements of the Financing Agreements, any Leases affecting the Trust Property and all Legal Requirements;

(b) Pay all charges for water, sewer, gas, electric and other utility services provided to the Trust Property promptly as and when due;

(c) Complete any improvements to the Trust Property required under the Financing Agreements, any Leases affecting the Trust Property, or required by any Governmental Authority or insurer insuring the Trust Property, in a good and workmanlike manner and free of mechanics' liens;

(d) Permit, and cause any lessee or occupant of the Trust Property to permit, Beneficiary and its agents and representatives, to enter upon the Trust Property at any reasonable time to appraise and photograph the Trust Property and to inspect for compliance with Legal Requirements, insurance requirements, and the Obligations of Trustor under this Deed of Trust and the other Financing Agreements;

(e) Make the books and accounts relating to the Trust Property available for inspection by Beneficiary, or its representatives, upon request at any reasonable time; and

(f) Comply with all Environmental Laws.

3.5 **General Restrictions.** Until the Obligations are fully satisfied, Trustor shall not, without the prior written consent of Beneficiary being obtained in each instance, which consent may be withheld in Beneficiary's sole discretion:

(a) Commit or suffer waste with respect to the Trust Property;

(b) Impair or diminish the value or integrity of the Trust Property or the priority or security of the lien of this Deed of Trust;

(c) Remove, demolish or materially alter any of the Trust Property without the prior written consent of Beneficiary in each instance, except that Trustor shall have the right to remove and dispose of, free of the lien of this Deed of Trust, such Fixtures as may, from time to time, become worn out or obsolete, provided that, simultaneously with or prior to such removal, any such Fixtures shall be replaced with other Fixtures which shall have a value and utility at least equal to that of the replaced Fixtures and, by such removal and replacement, Trustor shall be deemed to have subjected such replacement Fixtures to the lien and priority of this Deed of Trust;

(d) Make, install or permit to be made or installed, any additions or improvements to the Trust Property except in a good and workmanlike manner, free of mechanic's or materialmen's liens, in compliance with Legal Requirements and in accordance with plans and specifications approved by Beneficiary; or

(e) Make, suffer or permit any nuisance to exist on the Trust Property or any portion thereof.

3.6 **Required Notices.** Trustor shall notify Beneficiary of the occurrence of any of the following:

- (a) A fire or other casualty causing damage to the Trust Property, for which Trustor shall notify Beneficiary immediately following Trustor's knowledge of the same;
- (b) A pending or threatened condemnation of the Trust Property, for which Trustor shall notify Beneficiary immediately following Trustor's knowledge of the same;
- (c) A violation of a Legal Requirement or other notice from or to a Governmental Authority relating to the Trust Property, for which Trustor shall notify Beneficiary following Trustor's knowledge of the same;
- (d) Receipt or giving of any notice of default or cancellation under any Lease of all or a material portion of the Trust Property, for which Trustor shall notify Beneficiary within twenty-four hours following Trustor's knowledge of the same;
- (e) Commencement of any litigation affecting the Trust Property, for which Trustor shall notify Beneficiary within twenty-four hours following Trustor's knowledge of the same;
- (f) Discovery, discharge or release of any hazardous material for which Trustor is or may be responsible under any Environmental Laws, for which Trustor shall notify Beneficiary within twenty-four hours following Trustor's knowledge of the same; or
- (g) The existence of any event or condition which presents a risk of creating material liability of Trustor under ERISA (Public Law 93-406, as amended), for which Trustor shall notify Beneficiary within twenty-four hours following Trustor's knowledge of the same.

ARTICLE 4 TAXES AND INSURANCE

4.1 **Real Estate Taxes and Assessments.**

(a) Trustor shall pay when due and before interest or penalties commence to accrue thereon, all taxes, assessments, water and sewer rents, levies, encumbrances and all other charges or claims of any nature and kind, whether public or private, which may be assessed, levied, imposed, suffered, placed or filed at any time against the Trust Property or any part thereof or which by any present or future law may have priority (either in lien or in distribution out of the proceeds of any sale) over the lien of this Deed of Trust (individually, an "**Imposition**" and, collectively, "**Impositions**").

(b) Trustor shall produce to Beneficiary, not later than the last day such Imposition is due and payable without interest or penalty, official receipts evidencing payment of such Imposition. If Trustor is not in default under this Deed of Trust or any of the other Financing Agreements and in good faith and by appropriate legal action shall contest the validity or amount of any Imposition and shall have established a reserve for the payment thereof in such form and

amount as Beneficiary may require (including any interest and penalties which may be payable in connection therewith), then Trustor shall not be required to pay the Imposition or to produce the receipts while the reserve is maintained and so long as the contest operates to prevent collection, is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to Trustor.

4.2 **Taxes on Trustee or Beneficiary.** If any Governmental Authority shall levy, assess or charge any tax, assessment or imposition upon this Deed of Trust or any of the other Financing Agreements (including any requirement to have affixed to this Deed of Trust any revenue, documentary or similar stamps) or upon the interest of Trustee or Beneficiary in the Trust Property by reason of this Deed of Trust or any of the other Financing Agreements, Trustor shall pay the same directly to such Governmental Authority as an Imposition. If Trustor is not legally permitted to pay such Imposition or to reimburse Trustee or Beneficiary for amounts advanced on account of such payment, then Beneficiary may declare the entire amount of the Obligations immediately due and payable on demand.

4.3 **Corporate, Partnership or Limited Liability Company Trustor.** If Trustor (or any successor or transferee of Trustor) is a corporation, partnership or limited liability company, Trustor shall at all times until the Obligations are satisfied in full:

(a) Keep in effect and in good standing its existence and rights as a corporation, partnership or limited liability company, as the case may be, under the laws of the state of its incorporation or constitution and its right to own property and transact business in the state in which the Real Estate is situated; and

(b) File returns for all federal, state and local taxes with the proper Governmental Authorities, and pay, when due and payable and before interest or penalties are due thereon, all taxes owing by Trustor to any Governmental Authorities.

4.4 **Insurance Coverages.** Until the Obligations are fully satisfied, Trustor shall maintain and keep in force the following policies of insurance, to the extent applicable, with respect to the Trust Property:

(a) Insurance against loss or damage to the Trust Property by fire and any of the risks covered by insurance of the type commonly known as "all-risk coverage," in an amount not less than the full replacement cost (evidenced by a "Replacement Cost Endorsement") of the Trust Property (exclusive of footings and foundations);

(b) During the course of any construction or repair of any improvements on the Trust Property, builder's completed value risk insurance against "all risks of physical loss," including collapse and transit coverage, during construction of such improvements, in non-reporting form;

(c) Boiler and machinery insurance (to the extent the Trust Property includes items covered by such insurance), in such amounts as are reasonably satisfactory to Beneficiary;

(d) Coverage against sprinkler leakage;

(e) Vandalism and malicious mischief insurance;

(f) Commercial general liability insurance on an “occurrence basis” against claims for personal injury including bodily injury, death or property damage occurring on or about the Real Estate and the adjoining streets, sidewalks and passageways, with minimum protection to a limit of not less than \$1,000,000 (or such higher amounts as are required under any of the other Financing Agreements) with respect to personal injury or death to any one or more persons or damage to property;

(g) To the extent required by applicable law, worker’s compensation insurance (including employer’s liability insurance) for all employees of Trustor engaged on or with respect to the Trust Property in such amount as is reasonably satisfactory to Beneficiary, or, if such limits are established by law, in such amounts;

(h) Flood insurance, in accordance with the National Flood Insurance Act of 1968, as amended by the Flood Disaster Protection Act of 1973, if any portion of the Real Estate lies within a flood hazard area designated by the Department of Housing and Urban Development, Federal Insurance Administration as a “Flood Hazard Area”;

(i) Business interruption and/or rental loss coverage for a period equal to the reasonable period of time required to rebuild and restore the Trust Property upon the occurrence of a substantial destruction; and

4.5 Policy Requirements. The insurance coverages required above shall be insured under policies: (a) in form reasonably satisfactory to Beneficiary; (b) issued by companies reasonably satisfactory to Beneficiary; (c) endorsed with a standard mortgagee clause in favor of the Beneficiary providing not less than thirty days’ notice to Beneficiary of any cancellation or change in coverage; (d) endorsed to name Beneficiary, as the case may be, as an additional insured and as loss payee; and (e) not subject to contribution or co-insurance. If any insurance required under this Deed of Trust is canceled, expires, becomes void or voidable or otherwise becomes unsatisfactory to Beneficiary, Trustor shall place or cause to be placed new insurance on the Trust Property reasonably satisfactory to Beneficiary. In the event of any loss, Beneficiary may make proof of loss if not made promptly by Trustor. Each insurance company concerned is hereby authorized and directed to make payment under such insurance including return of unearned premiums, directly to Beneficiary instead of to Trustor and Beneficiary jointly, and Trustor appoints Beneficiary, irrevocably, as Trustor’s attorney-in-fact to endorse any draft therefor.

ARTICLE 5 CASUALTY; CONDEMNATION

5.1 Casualty. If the Trust Property is damaged by fire or other casualty, Trustor shall promptly repair and restore the same to its condition prior to the damage. If, and only for so long as, the following terms and conditions are fully satisfied by Trustor, Beneficiary shall release (to the extent held by Beneficiary) insurance proceeds for repair and restoration of the Trust Property; otherwise, and to the extent of any excess proceeds, Beneficiary shall have the right to apply the proceeds toward reduction of the Obligations:

(a) No default under this or any of the other Financing Agreements shall have occurred and be continuing uncured;

(b) Trustor shall have delivered evidence satisfactory to Beneficiary that the Trust Property can be fully repaired and restored within a period of time during which all payments coming due under the Obligations are fully covered by the proceeds of business interruption or rental loss insurance applicable to the loss or damage to the Trust Property;

(c) No Lease is cancelable by the lessee on account of the casualty or, if it is, the lessee has waived in writing its right to cancel;

(d) The work is performed by a reputable general contractor satisfactory to Beneficiary under a fixed price or guaranteed maximum contract satisfactory to Beneficiary, in accordance with plans and specifications satisfactory to Beneficiary and in compliance with all Legal Requirements, and no work shall commence until appropriate insurance, bonds and waivers of mechanics' liens have been filed by the general contractor and all those claiming by, through, or under the general contractor; and

(e) Trustor shall have deposited with Beneficiary for disbursement in connection with the restoration the sum of the applicable deductible under the insurance policies covering the loss.

5.2 *Condemnation.*

(a) In the event of any condemnation or taking of any part of the Trust Property by eminent domain, alteration of the grade of any street, or other injury to or decrease in the value of the Trust Property by any public or quasi-public authority or corporation, all Proceeds (including the award or agreed compensation for the damages sustained) allocable to Trustor, after deducting therefrom all costs and expenses (regardless of the particular nature thereof and whether incurred with or without suit) including attorney's fees incurred by Beneficiary in connection with the collection of such Proceeds, shall be paid to Beneficiary and applied, at Beneficiary's election, (i) toward restoration of the Trust Property (in which case the terms and conditions set forth in Section 5.1 in the case of casualty shall apply); or (ii) to the Obligations. No settlement for damages sustained shall be made by Trustor without Beneficiary's prior written approval.

(b) If prior to the receipt of the Proceeds by Beneficiary pursuant to Section 5(a), the Trust Property, or any part thereof, shall have been sold on foreclosure of this Deed of Trust, Beneficiary shall have the right to receive the Proceeds pursuant to Section 5(a) to the extent of:

(i) the full amount of all such Proceeds if Beneficiary is the successful purchaser at the foreclosure sale, or

(ii) if anyone other than Beneficiary is the successful purchaser at the foreclosure sale, in addition to the net sale proceeds to be received by Beneficiary in connection with the sale, any deficiency (as hereinafter defined) due to Beneficiary in connection with the foreclosure sale, with legal interest thereon, and reasonable counsel fees, costs and disbursements

incurred by Beneficiary in connection with collection of such Proceeds of condemnation and the establishment of such deficiency. For purposes of this section, the word "deficiency" shall be deemed to mean the difference between (A) the aggregate amount of all sums which Beneficiary is entitled to collect under the Financing Agreements, and (B) the net sale proceeds actually received by Beneficiary as a result of such foreclosure sale less any costs and expenses incurred by Beneficiary in connection with enforcement of its rights under the Financing Agreements.

(c) Beneficiary shall have the right to prosecute to final determination, or settlement, an appeal or other appropriate proceedings in the name of Beneficiary or Trustor, for which Beneficiary is hereby appointed as attorney-in-fact for Trustor, which appointment, being for security, is irrevocable. In that event, the expenses of the proceedings, including reasonable counsel fees, shall be paid first out of the Proceeds received pursuant to Section 5(a), and only the excess, if any, paid to Beneficiary shall be applied to the Obligations.

(d) Nothing herein shall limit the rights otherwise available to Beneficiary, at law or in equity, including the right to intervene as a party to any condemnation proceeding.

ARTICLE 6 DEFAULTS; REMEDIES

6.1 ***Right to Make Advances.*** If Trustor should fail to pay or perform any of its Obligations with respect to the Trust Property as required under Article 3 and Article 4 of this Deed of Trust, or otherwise fails to pay or perform any of its other Obligations under this or any of the other Financing Agreements, then Beneficiary, at its election, shall have the right, but not the obligation, to make any payment or expenditure and to take any action which Trustor should have made or taken or which Beneficiary reasonably deems advisable to protect the security of this Deed of Trust or the Trust Property. Such action shall be without prejudice to any of Beneficiary's rights or remedies available under this Deed of Trust or any of the other Financing Agreements or otherwise at law or in equity. All such sums, as well as costs and expenses, advanced by Beneficiary shall be due immediately from Trustor to Beneficiary, shall become part of the Obligations secured by this Deed of Trust and the other Financing Agreements, and shall bear interest (including any judgment obtained on account of any of the Obligations) at the applicable rate provided in the Note in effect after maturity or default (the "Default Rate") until repayment in full to Beneficiary.

6.2 ***Events of Default.*** The occurrence of any one or more of the following events, and failure to cure such default within 10 days following the date of written notice thereof, shall, at the election of Beneficiary, constitute an Event of Default under this Deed of Trust:

- (a) Any Event of Default under or breach of any of the Financing Agreements;
- (b) Failure to pay any sum required to be paid under this Deed of Trust as and when due;
- (c) Any material breach of warranty or other violation of any provision contained in this Deed of Trust; or

(d) Nonperformance of, or noncompliance with, any of the agreements, covenants, conditions, warranties, representations or other provisions contained in this Deed of Trust (if and only to the extent not included in any of the occurrences listed above), which nonperformance or noncompliance is not cured and remedied within thirty (30) days after notice thereof is given to Trustor.

6.3 Remedies; Execution.

(a) Upon the occurrence of an Event of Default, and at all times thereafter, Beneficiary shall have the right to accelerate all Obligations (including interest thereon at the Default Rate) pursuant to the terms of the Financing Agreements and to enforce its rights under this Deed of Trust and the other Financing Agreements by exercising such remedies as are available to Beneficiary under applicable law, whether by suit in equity, action at law, or through the power of sale granted herein, whether for specific performance of any provision contained in this Deed of Trust or any of the other Financing Agreements or in aid of the exercise of any power granted in this Deed of Trust or the other Financing Agreements.

(b) Beneficiary shall have the right to obtain judgment for the Obligations (including all amounts advanced or to be advanced by Beneficiary under Section 6.1 above, all costs and expenses of collection and suit, including any bankruptcy or insolvency proceeding affecting Trustor, and reasonable attorneys' fees incurred in connection with any of the foregoing) together with interest on such judgment at the Default Rate until payment in full is received by Beneficiary, and Beneficiary shall have the right to obtain execution upon the Trust Property on account of such judgment.

(c) Beneficiary shall have the right to institute foreclosure in the manner provided by law for the foreclosure of mortgages and/or deeds of trust on real property, including power of sale, against the Trust Property or take such other action for realization on the security intended to be provided under Article 1 of this Deed of Trust as applicable law or the provisions of the Financing Agreements may allow.

(d) Beneficiary may exercise all rights and remedies set forth in the Financing Agreements, including all rights of a secured party under the UCC.

(i) Notwithstanding anything to the contrary contained in this Deed of Trust or the Financing Agreements, Trustor and Beneficiary acknowledge and agree that, during the continuance of an Event of Default, Beneficiary may also, acting by or through Trustee or otherwise, exercise from time to time any non-judicial foreclosure remedy against any of the Trust Property, and each such exercise shall be governed by the following provision:

Trustee, at the request of Beneficiary, at any time from time to time during the continuance of any Event of Default, may sell any of the Trust Property, at public auction, to the highest bidder, or bidders, for cash, at the door of the County Courthouse of the County in which such Trust Property is situated (however, if such Trust Property is situated in more than one County, the sale of such Trust Property may take place at any one County Courthouse where any of such Trust Property is situated, as Beneficiary may elect), as herein described, between the hours

of 10:00 a.m. and 4:00 p.m. on the first Tuesday of the month, after giving notice of the time, place and terms of such sale and the Trust Property to be sold, as follows:

Notice of such proposed sale shall be given by posting written notice thereof at least twenty-one (21) days preceding the date of the sale at the Courthouse door at the County in which the sale is to be made and by filing at least twenty-one (21) days preceding the date of such sale written or printed notice thereof with the office of the County Clerk of such County. In the event the Trust Property to be sold is situated in more than one County, one notice shall be posted at the Courthouse door of each County in which the Trust Property to be sold is situated and one notice shall be filed with the office of the County Clerk of each such County. In addition, Beneficiary shall, at least twenty-one (21) days preceding the date of sale, serve written notice of the proposed sale by certified mail on each debtor obligated to pay the debt secured hereby according to the records of Beneficiary. Service of such notice shall be completed upon deposit of the notice, enclosed in a postpaid wrapper, properly addressed to such debtor at the most recent address shown by the records of Beneficiary, in a post office or official depository under the care and custody of the United States Postal Service. The affidavit of any person having knowledge of the facts to the effect that such service was completed shall be prima facie evidence of the fact of service. The sale of any such Trust Property by Trustee shall take place in the area at the Courthouse in the County designated for such purpose by the Commissioner's Court of said County, and, in the event that no area has been designated by such Commissioner's Court, then the notice of sale described above shall designate an area at the County Courthouse where the sale shall take place and, in such event, the sale shall be conducted by Trustee at the area designated in the notice of sale. The notice of sale shall contain a statement of the earliest time at which such sale will occur, and the sale shall begin at the time stated in the notice of sale or not later than three (3) hours after such time.

Any notice that is required or permitted to be given to Trustor may be addressed to Trustor at Trustor's address as stated herein. Any notice that is to be given by certified mail to any other debtor may, if no address for such other debtor is shown by the records of Beneficiary, be addressed to such other debtor at the address of Trustor as is shown by the records of Beneficiary. Notwithstanding the foregoing provisions of this section, notice of such sale given in accordance with the requirements of the applicable law of the State in which the Trust Property is situated in effect at the time of such sale shall constitute sufficient notice of such sale. Trustor hereby authorizes and empowers Trustee to sell any of the Trust Property, together or in lots or parcels, as Beneficiary or Trustee may deem expedient, and to execute and deliver to the purchaser or purchasers of such Trust Property, good and sufficient deed(s) of conveyance of fee simple title with covenants of general warranty made on behalf of Trustor. In no event shall Trustee be required to exhibit, present or display at any such sale, any of the personalty described herein to be sold at such sale.

Trustee may, in Trustee's sole and absolute discretion, determine that a credit bid may be in the best interest of Trustor and Beneficiary, and elect to sell the Trust Property or any portion thereof for credit or for combination of cash and credit; provided, however, that Trustee shall have no obligation to accept any bid except an all cash bid. If Trustee requires a cash bid and the cash is not delivered within a reasonable time after conclusion of the bidding process, as specified by the Trustee, then said contingent sale shall be null and void, the bidding process may be recommenced and any subsequent bids or sale shall be made as if no prior bids were made or accepted. At any sale conducted under this Deed of Trust, credit by Beneficiary upon all or any part of the Indebtedness shall be deemed cash paid for the purpose of this provision; and the holder of all or any part of the Indebtedness may purchase at any such sale and shall otherwise be treated in the same manner as any third party purchaser.

The right of sale hereunder shall not be exhausted by one or any sale, but so long as any of the indebtedness or the Obligations remain unpaid or undischarged, Trustee or its successor may make other and successive sales until all the Property shall be legally sold. Further, Trustee may at any time before a foreclosure sale concludes abandon the sale, and the power of sale shall remain in full force and effect.

If Trustor or any other person or entity claiming under Trustor continues to occupy the Trust Property or any part thereof following a foreclosure sale, such person or entity shall be deemed a tenant at sufferance of the purchaser at foreclosure sale.

(ii) To the extent not prohibited by applicable law, Trustor waives all rights and remedies under (i) the UCC, as in effect in the State in which the Trust Property is situated and amended from time to time and under any other applicable law with respect to the rights of the sureties, and (ii) other such other law that may impair Beneficiary's rights hereunder which may be applicable. Trustor further waives all rights to receive or require notice of intention to accelerate any of the Indebtedness and notice of acceleration of any of the Indebtedness.

(iii) IT IS THE INTENTION OF TRUSTOR, AND TRUSTOR AGREES THAT ALL INDEMNITIES ARISING UNDER THIS DEED OF TRUST SHALL APPLY WITH RESPECT TO THE INDEMNIFIED MATTERS THAT MAY BE IN WHOLE OR IN PART CAUSED BY OR MAY ARISE OUT OF THE SOLE, CONTRIBUTORY OR COMPARATIVE NEGLIGENCE OR STRICT LIABILITY OF ANY INDEMNITEE.

(iv) It is the intention of the parties to comply strictly with applicable usury laws. Accordingly, notwithstanding any provision to the contrary in this Deed of Trust or any of the Indebtedness, in no event shall any Indebtedness require the payment or permit the payment, taking, reserving, receiving, collection or charging of any sums constituting interest under applicable laws that exceed the maximum amount permitted by such laws, as the same may be amended or modified from time to time (the "Maximum Rate"). If any such excess interest is called for, contracted for, charged, taken, reserved or received in connection herewith or therewith, or in any communication by Beneficiary or any other Person to Trustor or any other Person, or in the event that all or part of the principal or interest hereof or thereof shall be prepaid or accelerated,

so that under any of such circumstances or under any other circumstance whatsoever the amount of interest contracted for, charged, taken, reserved or received on the amount of principal actually outstanding from time to time under any Indebtedness shall exceed the Maximum Rate, then in such event it is agreed that: (a) the provisions of this paragraph shall govern and control; (b) neither Trustor nor any other Person or entity now or hereafter liable for the payment of any Indebtedness shall be obligated to pay the amount of such interest to the extent it is in excess of the Maximum Rate; (c) any such excess interest which is or has been received by Beneficiary, notwithstanding this paragraph, shall be credited against the then unpaid principal balance of the indebtedness (or, if the principal amount of the Indebtedness shall have been paid in full, refunded by Beneficiary to the party primarily liable on such indebtedness); and (d) the provisions of this Deed of Trust and the indebtedness, and any other communication to Trustor, shall immediately be deemed reformed and such excess interest reduced, without the necessity of executing any other document, to the Maximum Rate. The rights to accelerate the maturity of the indebtedness does not include the rights to accelerate, collect or charge unearned interest, but only such interest that has otherwise accrued as of the date of acceleration. Without limiting the foregoing, all calculations of the rate of interest contracted for, charged, taken, reserved or received in connection with any of the Indebtedness which are made for the purpose of determining whether such rate exceeds the Maximum Rate shall be made to the extent permitted by applicable laws by amortizing, prorating, allocating and spreading during the period of the full term of such indebtedness, including all prior and subsequent renewals and extensions hereof or thereof, all interest at any time contracted for, charged, taken, reserved or received by Beneficiary. The terms of this paragraph shall be deemed to be incorporated into each of the other Indebtedness.

(v) To the extent that applicable law may apply in determining the Maximum Rate, Beneficiary hereby elects to determine the applicable rate ceiling by using the weekly ceiling from time to time in effect, subject to Beneficiary's right subsequently to change such method in accordance with applicable law, as the same may be amended or modified from time to time.

(vi) For purposes of the Trust Property, this Deed of Trust shall be effective as a financing statement covering goods that are or are to become Fixtures related to the Individual Properties described in Exhibit A attached hereto, filed as a Fixture filing from the date of its recording in the applicable Real Property Records of the counties where such Property is located. Information concerning the security interest created by this Deed of Trust may be obtained from Beneficiary, as secured party, at the address stated above. The mailing addresses of Trustor, as debtor, is as stated above. Trustor also authorizes Beneficiary to file a separated UCC-1 financing statement as a Fixture filing covering the Property and to file all amendments and continuations to such financing statement as may be appropriate.

(vii) The right to foreclose this Deed of Trust as a mortgage by appropriate proceedings in any court of competent jurisdiction is also hereby given.

(viii) All fees, costs and expenses of any kind incurred by Beneficiary in connection with foreclosure of this Deed of Trust, including, without limitation, the costs of any appraisals of the Property obtained by Beneficiary, all costs of any receivership for the Property advanced by Beneficiary, and all attorneys' and consultants' fees incurred by Beneficiary,

appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and costs (which may be estimates as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examination, title insurance policies and similar data and assurances with respect to title, as Trustee or Beneficiary may deem necessary either to prosecute such suit or to evidence to bidders at the sales that may be had pursuant to such proceedings the true conditions of the title to or the value of the Property, together with and including a reasonable compensation to Trustee, shall constitute a part of the Secured Obligations and may be included as part of the amount owing from Trustor to Beneficiary at any foreclosure sale.

(ix) The proceeds of foreclosure sale of the Trust Property shall be distributed and applied in the following order of priority: first, on account of all costs and expenses incident to the foreclosure proceedings; second, all other items which, under the terms hereof, constitute Obligations additional to that evidenced by the Financing Agreements, with interest on such items as herein provided; third, to interest remaining unpaid upon the Lease; fourth, to the Base Term rents and other sums remaining unpaid under the Lease; and lastly, to Trustor and its successors or assigns, as their rights may appear.

(x) In case of an insured loss after judicial foreclosure or Trustee's sale proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied to rebuilding or restoring the buildings or improvements, shall be used to pay the amount due upon the Obligations. In the event of judicial foreclosure or Trustee's sale, Beneficiary or Trustee is hereby authorized, without the consent of Trustor, to assign any and all insurance policies to the purchaser at the sale, or to take such other steps as Beneficiary or Trustee may deem advisable to cause the interest of such purchaser to be protected by any of the said insurance policies.

(xi) Nothing in this Deed of Trust dealing with foreclosure procedures or specifying particular actions to be taken by Beneficiary or by Trustee or any similar officer shall be deemed to contradict or add to the requirements and procedures now or hereafter specified by the law of the State in which the Trust Property is situated, and any such inconsistency shall be resolved in favor of such law as applicable at the time of foreclosure.

(xii) In the event that foreclosure proceedings are initiated hereunder, but are not completed, Trustee shall be entitled to be reimbursed for all fees, costs and expenses in commencing such proceedings, and all fees, costs and expenses so incurred, together with interest thereon until paid at the Default Rate, shall be payable by Trustor on demand, and shall become a part of the Obligations secured by this Deed of Trust.

6.4 Remedies; Collection of Income. Upon the occurrence of an Event of Default and at all times thereafter, Beneficiary and/or Trustee may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the Obligations, enter upon the Trust Property and, with or without taking possession of the Trust Property, and with or without legal action, collect all Income (which term shall also include amounts determined by Beneficiary as fair rental value for use and occupation of the Trust Property by any person, including Trustor) and, after deducting all costs of collection and administration expense including attorneys' fees and reasonable reserves, apply the net Income to

any of the Obligations in such order and amounts as Beneficiary in its sole discretion may determine, or any of the following in such order and amounts as Beneficiary in its sole discretion may elect: the payment of any sums due, or accumulation of necessary reserves for, payment of all costs and expenses arising from or incurred in connection with (a) the preservation and protection of the validity and priority of the lien of this Deed of Trust; (b) the preservation and protection of the Trust Property; (c) compliance with Legal Requirements; and (d) fulfilling any obligations of Trustor or any other obligor or guarantor under the Permitted Encumbrances, the Leases, this Deed of Trust or the Financing Agreements. Beneficiary shall not be accountable for more monies than it actually receives from the Trust Property nor shall it be liable for failure to collect the Income. Beneficiary shall have the right to determine the method of collection and the extent to which enforcement of collection of Income shall be prosecuted and Beneficiary's judgment shall be deemed conclusive and reasonable.

6.5 Remedies; Possession. Upon the occurrence of an Event of Default and at all times thereafter, Beneficiary may, with or without legal action, take possession and control of the Trust Property to the exclusion of Trustor and all others. Beneficiary shall have the authority while so in possession to insure (at Trustor's expense) against all risks by reason of having taken such possession and Trustor will transfer and deliver to the Beneficiary all policies of insurance upon the Trust Property not theretofore transferred and delivered to Beneficiary.

6.6 Remedies; Repossession. Upon the occurrence of an Event of Default and at all times thereafter, Beneficiary shall have the right to take possession of any portion of the Trust Property constituting fixtures or other personal property subject to the UCC, and any records pertaining thereto. Beneficiary shall have the right to use, operate, manage, lease or otherwise control the Trust Property in any lawful manner and, in its sole discretion but without any obligation to do so, insure, maintain, repair, renovate, alter or remove such Trust Property; use, in connection with any assembly, use or disposition of such Trust Property any trade mark, trade name, trade style, copyright, brand, patent right or technical process used or utilized by Trustor; sell or otherwise dispose of all or any of such Trust Property at any public or private sale at any time or times without advertisement or demand upon or notice to Trustor, all of which are expressly waived to the extent permitted by law, with the right of Beneficiary or its nominee to become purchaser at any sale (unless prohibited by statute) free from any equity of redemption and from all other claims, and after deducting all legal and other expenses for maintaining or selling such Trust Property, and all attorneys' fees, legal or other expenses for collection, sale and delivery, apply the remaining proceeds of any sale to pay (or hold as a reserve against) the Obligations and exercise all rights and remedies of a secured party under the Uniform Commercial Code of the state in which the Real Estate is located or any other applicable law.

6.7 Remedies; Appointment of Receiver. Upon the occurrence of an Event of Default and at all times thereafter, Beneficiary may, without notice, obtain appointment of a receiver for the Trust Property without regard to the adequacy of any security for the Obligations.

6.8 Remedies; Actions Prior to Acceleration. Beneficiary shall have the right, from time to time, to bring an appropriate action or actions to recover any sums required to be paid by Trustor under the terms of this Deed of Trust, as they become due, without regard to whether or not the Obligations shall be due and payable in full, and without prejudice to the right of Beneficiary or

Trustee thereafter to take any action for any default by Trustor existing at the time the earlier action was commenced.

6.9 ***No Marshalling.*** Any of the collateral under any of the Financing Agreements sold pursuant to any judicial or non-judicial proceedings relating to the Financing Agreements or this Deed of Trust, may be sold in one parcel, as an entirety, or in such parcels, and in such manner or order as Trustee, in Trustee's sole discretion, may elect (but subject to any statutory right of Trustor to direct the order in which such property shall be sold).

6.10 ***Rights and Remedies Cumulative.***

(a) All rights and remedies of Beneficiary or Trustee as provided in this Deed of Trust and the other Financing Agreements shall be cumulative and concurrent, may be pursued separately, successively or together against Trustor or the Trust Property, or both, at the sole discretion of Beneficiary and may be exercised as often as occasion therefor shall arise. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

(b) Any failure by Beneficiary or Trustee to insist upon strict performance by Trustor of any of the terms and provisions of this Deed of Trust or the other Financing Agreements shall not be deemed to be a waiver of any of the terms or provisions of this Deed of Trust or the other Financing Agreements and Beneficiary or Trustee shall have the right thereafter to insist upon strict performance by Trustor of any and all of them.

6.11 ***Resignation of Trustee.*** Trustee may resign and be discharged of the trusts by giving written notice thereof to Beneficiary (or any subsequent owner of the beneficiary's interest in the Trust Property) specifying the date (not less than thirty (30) days after such notice) when such resignation shall take effect. Such resignation shall take effect on the earlier of the date so specified or the appointment and acceptance of the trust by the successor Trustee pursuant to Section 6.12 below.

6.12 ***Successor Trustee.***

(a) Beneficiary may appoint a successor trustee at any time by filing for record in the office of the County Recorder of each county in which the Property or some part thereof is situated, a substitution of trustee. From the time the substitution is filed for record, the new trustee shall succeed to all the powers, duties, authority and title of the trustee named herein or of any successor trustee, with like effect as if originally named as Trustee herein (provided, however, that on the written request of Trustor, Beneficiary or the successor Trustee, such predecessor shall execute and deliver an instrument transferring to such successor Trustee, upon the trusts expressed in this Deed of Trust, such estates, properties, rights, powers and trusts and shall duly assign, transfer, deliver and pay over to such successor any property and money subject to the lien hereof held by such predecessor). Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

(b) Each such appointment shall: identify this Deed of Trust by stating the names of the parties hereto, the date of recordation, and the book and page where the same is

recorded or the entry number; include the legal description of the Trust Property; state the name of the new trustee; and be executed and acknowledged by all of the beneficiaries under this Deed of Trust or their successors in interest. Trustor hereby ratifies and confirms any and all acts which Trustee, or Trustee's successor or successors in this trust, shall do lawfully by virtue hereof.

ARTICLE 7 MISCELLANEOUS

7.1 *Costs and Expenses.* If the Beneficiary or Trustee becomes a party to any suit or proceeding affecting the Trust Property, title thereto, the lien created by this Deed of Trust or Beneficiary's or Trustee's interest therein, or in the event of the commencement of any bankruptcy or insolvency proceedings involving Trustor, or if Beneficiary engages counsel to collect or to enforce performance of the Obligations, or if Beneficiary or Trustee incurs any other costs and expenses in perfecting, protecting or enforcing its rights hereunder or in responding to any request of Trustor for any consent, waiver, approval, modification or release in connection with this Deed of Trust or the Trust Property, Beneficiary's and Trustee's reasonable counsel fees, and all other costs and expenses paid or incurred by Beneficiary and Trustee, including reasonable fees of appraisers, accountants, consultants, and other professionals, title premiums, title report and work charges, filing fees, and deed of trust, deed of trust registration, transfer, stamp and other excise taxes, whether or not an Event of Default shall have occurred, shall be paid to Beneficiary or Trustee, as applicable, on demand, with interest at the Default Rate and until paid they shall be deemed to be part of the Obligations secured by this Deed of Trust.

7.2 *Indemnity.* Trustor shall indemnify, defend and hold Beneficiary and Trustee harmless from and against any claims, expenses, demands, losses, costs, fines or liabilities of any kind (including those involving death, personal injury or property damage and including reasonable attorneys' fees and costs) arising from or in any way related to the failure of Trustor to comply with, or the failure of the Trust Property to be kept in compliance with, the Legal Requirements, Applicable Environmental Laws. The indemnification of Trustor under this section shall survive the release or termination of this Deed of Trust and shall remain effective notwithstanding any sale of the Trust Property under the powers granted in this Deed of Trust or other execution against the Trust Property or acceptance of a deed in lieu of foreclosure. The indemnification of Trustor under this Section is specifically excepted from any limitation of liability provision contained in this or any of the other Financing Agreements.

7.3 *Declaration of No Set-Off.* Within ten (10) days after requested to do so by Beneficiary, Trustor shall certify to Beneficiary or to any proposed assignee of this Deed of Trust or participant in the Obligations in a writing duly acknowledged, the amount of principal, interest and other charges then owing on the Obligations secured by this Deed of Trust and whether there are set-offs or defenses against them.

7.4 *Notices.* Except as otherwise provided herein, all notices required to be given to any of the parties hereunder shall be in writing and shall be delivered (a) by personal delivery, with receipt acknowledged; (b) by facsimile or e-mail (with original copy to follow by any method permitted under subparagraph (c) or (d) below); (c) by reputable overnight commercial courier service; or (d) by United States registered or certified mail, return receipt requested, postage

prepaid, to the parties addressed to Trustor or Beneficiary as set forth above. Any notice so given by United States mail shall be deemed to have been given on the second business day after the same is deposited in the United States mail as registered or certified mail, addressed as above provided, with postage thereon fully prepaid. Any notice given personally, by facsimile or e-mail, or by reputable overnight commercial courier service, shall be deemed to be given upon receipt of the same by the party to whom the same is to be given. Whenever the giving of notice is required, the giving of such notice may be waived in writing by the party entitled to receive such notice.

7.5 ***Covenant Running with the Land.*** Any act or agreement specified herein to be done or performed by Trustor shall be construed as a covenant running with the land and shall be binding upon Trustor and its successors and assigns as if each had personally made such agreement.

7.6 ***Amendment.*** Any amendment, modification, consent or waiver which may be hereafter requested by Trustor or otherwise required must be in writing and signed by both Trustor and Beneficiary.

7.7 ***Non-Merger of Title.*** If the Trust Property is conveyed to the Beneficiary, title shall not merge (unless Trustee or Beneficiary elects otherwise) and the lien provided under this Deed of Trust shall not be affected or impaired by such conveyance.

7.8 ***Mortgagee in Possession.*** Nothing herein contained shall be construed as constituting Trustee or Beneficiary as a mortgagee in possession.

7.9 ***Time of the Essence.*** Time is of the essence of this Deed of Trust and all other Financing Agreements and all the terms, conditions and provisions hereof and thereof.

7.10 ***Waiver of Homestead and Other Exemptions.*** To the extent permitted by law, Trustor hereby waives all rights to any exemption to which Trustor would otherwise be entitled under any present or future constitutional, statutory, or other provision of applicable state or federal law.

7.11 ***Severability.*** Any term or provision of this Deed of Trust that is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions or the validity or enforceability of the invalid, void or unenforceable term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction or other authority declares that any term or provision of this Deed of Trust is invalid, void or unenforceable, the parties agree that the court making such determination shall have the power to and shall, subject to the discretion of such court, reduce the scope, duration, area or applicability of the term or provision, to delete specific words or phrases, or to replace any invalid, void or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

7.12 ***Successors and Assigns.*** This Deed of Trust inures to the benefit of Beneficiary and Trustee and binds Trustor, and its respective successors and assigns, and the words

“Beneficiary,” “Trustee” and “Trustor” whenever occurring herein shall be deemed and construed to include such respective successors and assigns.

7.13 **Governing Law.** This Deed of Trust shall be governed by the laws of the State of in which the Trust Property is situated, without giving effect to any choice or conflict of law, rule or regulation, whether of the State of in which the Trust Property is situated or other jurisdiction, which would cause the application of any law, rule or regulation other than of the State of in which the Trust Property is situated.

7.14 **Effect of Extensions of Time and Amendments On Junior Liens and Others.** If the payment of the Obligations, or any part thereof, is extended or varied, or if any part of the security is released, all persons now or at any time hereafter liable therefor, or interested in the Trust Property, shall be held to assent to such extension, variation or release, and their liability, and the lien, and all provisions hereof, shall continue in full force and effect, the right of recourse against all such persons following foreclosure of this Deed of Trust being expressly reserved by Beneficiary, notwithstanding any such extension, variation or release. Any person, firm or corporation taking a junior mortgage, deed of trust or other lien upon the Trust Property or any interest therein, shall take that lien subject to the rights of Beneficiary herein to amend, modify and supplement the Financing Agreements (including this Deed of Trust), and to extend the maturity of the Obligations, in each and every case without obtaining the consent of the holder of such junior lien and without the lien of this Deed of Trust losing its priority over the rights of any such junior lien.

7.15 **Joint and Several Obligations.** If Trustor is more than one person or entity, then all persons or entities comprising Trustor are jointly and severally liable for all of the Obligations.

7.16 **Waiver of Jury Trial.** THE TRUSTOR HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS DEED OF TRUST, THE NOTE OR ANY COLLATERAL SECURITY DOCUMENTS OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF LENDER.

7.17 **Future Advances.** Trustor and Beneficiary agree and acknowledge that Beneficiary may elect to make additional advances under the terms of the Financing Agreements or otherwise, and that any such future advances shall be subject to, and secured by, this Deed of Trust. Should the Obligations decrease or increase pursuant to the terms of the Financing Agreements or otherwise, at any time or from time to time, this Deed of Trust shall retain its priority position of record until (a) the termination of the Lease, (b) the full, final and complete payment of all the Obligations, and (c) the full release and termination of the liens and security interests created by this Deed of Trust. The aggregate unpaid principal amount of the Obligations outstanding at any particular time (after having given effect to all advances and all repayments made prior to such time) which is secured by this Deed of Trust shall not aggregate in excess of the amount set forth in Section 1.1(a) above. Such amount does not in any way imply that Beneficiary is obligated to make any future advances to Trustor at any time unless specifically so

provided in the Lease or any of the other documents or instruments executed in connection therewith.

7.18 ***Cross-Collateralization.*** In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus interest thereon, of Trustor to Beneficiary, as well as all claims by Beneficiary against Trustor, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Trustor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

THIS DEED OF TRUST AND THE OTHER FINANCING AGREEMENTS REPRESENT THE FINAL WRITTEN AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

[Signature page follows.]

IN WITNESS WHEREOF, Trustor, intending to be legally bound hereby, has duly executed this Deed of Trust as of the date first above written.

TRUSTOR:

Hundred Acre Wood, L.C.

WITNESSES:

x _____
Name: _____

x _____
Name: _____

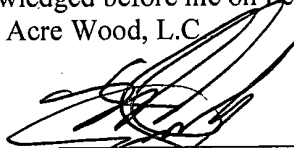
x Wayne Soren
Wayne R. Sorensen, Member

x Janet Sorensen
Janet B. Sorensen, Member

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me on February 24, 2018, by Wayne R. Sorensen, as Member of Hundred Acre Wood, L.C.

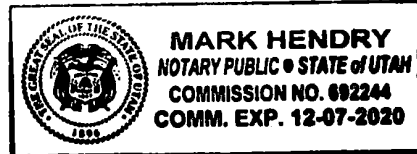
Witness my hand and official seal.



NOTARY PUBLIC

Residing at: LAYTON, UT

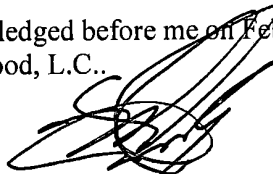
My commission expires:
12-7-20



STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged before me on February 24, 2018, by Janet B. Sorensen, as Member of Hundred Acre Wood, L.C..

Witness my hand and official seal.



NOTARY PUBLIC

Residing at: LAYTON, UT

My commission expires:
12-7-20

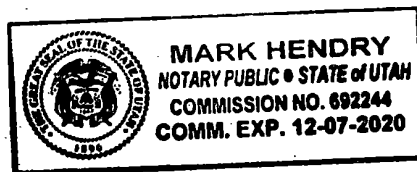


EXHIBIT "A"

(Attached to and forming a part of the Deed of Trust, Assignment of Leases,
Security Agreement, and Fixture Financial Statement, dated
February 26, 2018 for the benefit of Avid Commercial, LLC d/b/a Quorus Commercial)

LEGAL DESCRIPTION OF REAL ESTATE

PARCEL 1:

LOT 1, UTAH WATER SPORTS SUBDIVISION PLAT "A", ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED IN BOOK "2000P OF PLATS, AT PAGE 76 OF THE OFFICIAL RECORDS OF THE SALT LAKE COUNTY RECORDER.

LESS AND EXCEPTING THEREFROM:

A PARCEL OF LAND IN FEE FOR THE PURPOSE OF CONSTRUCTING THEREON A FREEWAY KNOWN AS PROJECT NO. 15-7, BEING PART OF AN ENTIRE TRACT OF PROPERTY SITUATE IN LOT 1, UTAH WATER SPORTS, PLAT "A", A SUBDIVISION IN THE NORTHEAST QUARTER OF SECTION 24, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN. THE BOUNDARIES OF SAID PARCEL OF LAND ARE DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 1; AND RUNNING THENCE NORTH 89°55'40" WEST 2.496 METERS (8.18 FEET) ALONG THE SOUTHERLY BOUNDARY LINE OF SAID ENTIRE TRACT; THENCE NORTH 04° 50'15" WEST 26.038 METERS TO THE INTERSECTION OF THE EASTERLY BOUNDARY LINE OF SAID ENTIRE TRACT AND THE EXISTING WESTERLY HIGHWAY RIGHT OF WAY AND NO-ACCESS LNE OF I-15 OF SAID PROJECT, AT A POINT 38.100 METERS (125.00 FEET) PERPENDICULARLY DISTANT WESTERLY FROM THE EXISTING CENTER LINE OF SAID I-15 AT STATION 32+757.133, THENCE SOUTH 10°14'57" EAST (RECORD SOUTH 10°15'25" EAST) 26.369 METERS (86.51 FEET) TO THE POINT OF BEGINNING AS SHOWN ON THE OFFICIAL MAP OF SAID PROJECT ON FILE IN THE OFFICE OF THE UTAH DEPARTMENT OF TRANSPORTATION.

PARCEL 2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS PURPOSES APPURTENANT TO PARCEL 1 AS ESTABLISHED IN THAT CERTAIN ACCESS EASEMENT RECORDED MARCH 23, 2000 AS ENTRY NO. 7601421 IN BOOK 8350 AT PAGE 1536 OF THE OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A PARCEL OF LAND LYING IN THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND BRASS CAP, MARKING THE NORTH QUARTER CORNER OF SECTION 24, TOWNSHIP 3 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN, THENCE SOUTH 89°55'40" EAST ALONG THE NORTH LINE OF SAID SECTION A DISTANCE OF 660.0 FEET AND SOUTH A DISTANCE OF 219.03 FEET TO THE REAL POINT OF BEGINNING; THENCE SOUTH 89°55'40" EAST, A DISTANCE OF 187.34 FEET, THENCE SOUTH 0° 10'02" EAST, A DISTANCE OF 24.0 FEET; THENCE NORTH 89°55'40" WEST, A DISTANCE OF 187.41 FEET; THENCE NORTH A DISTANCE OF 24.0 FEET TO THE REAL POINT OF BEGINNING.

Property Address: 11017 South Jordan Gateway, South Jordan, UT 84086
APN: 27-24-201-018