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E# 2811935 PG 1 OF 8
Leann H. Kilts, WEBER COUNTY RECORDER
29-Aug-16 04:11 PM FEE \$24.00 DEP JC
REC FOR: FOUNDERS TITLE COMPANY - LAYTON
ELECTRONICALLY RECORDED

This instrument was prepared by,
and after recordation should be returned to:

Greer, Herz & Adams, LLP
Attn: Janelle Canada
2525 South Shore Blvd., Suite 203
League City, Texas 77573

Assessor's Parcel No. 15-474-0001

D-53202

ABSOLUTE ASSIGNMENT OF LEASES AND RENTS

This ABSOLUTE ASSIGNMENT OF LEASES AND RENTS (this "Assignment") is entered into as of August 29, 2016 (the "Effective Date") by and between SAINT PAUL PROPERTIES FUND III, LLC, a Delaware limited liability company (hereinafter called "Assignor"), for the benefit of AMERICAN NATIONAL INSURANCE COMPANY, a Texas insurance company (hereinafter called "Assignee").

FOR AND IN CONSIDERATION of the loan made to Assignor by Assignee as evidenced by that one certain secured promissory note (hereinafter referred to as the "Note") of even date in the original principal sum of \$9,900,000.00 made payable to the order of Assignee and executed by Assignor, which is described in and secured by a Deed of Trust, Security Agreement and Financing Statement (hereinafter called "Deed of Trust") of even date herewith executed by Assignor for the benefit of Assignee, covering the real property described in Exhibit "A" attached hereto and made a part hereof for all purposes, which, together with all buildings, improvements, fixtures and equipment located or to be located thereon, owned by Assignor, is hereinafter referred to as the "Mortgaged Property", Assignor has GRANTED, TRANSFERRED and ASSIGNED, and by these presents does GRANT, TRANSFER and ASSIGN unto Assignee the following:

1. any and all leases, written or oral, and all agreements for use or occupancy of any portion of the Mortgaged Property, including but not limited to, those lease(s) more particularly described in that certain Closing Certificate of even date herewith executed by Assignor for the benefit of Assignee, which is incorporated herein by reference for all purposes, any and all extensions and renewals of said leases and agreements and any and all further leases or agreements, including, without limitation, subleases thereunder, upon or covering use or occupancy of all or any part of the Mortgaged Property, all such leases, agreements, subleases

and tenancies heretofore mentioned being hereinafter individually and collectively referred to as the "Lease" and such parties, lessees, sublessees and tenants under any Lease being hereinafter individually and collectively referred to as a "Lessee";

2. any and all guaranties of the performance, payment and/or collection of the Lease (individually and collectively referred to as a "Guaranty" by any guarantor, surety or other liable party thereunder (individually and collectively referred to as a "Guarantor"); and

3. the immediate and continuing right to collect and receive any and all of the rents, income, receipts, revenues, issues and profits now due or which may become due, or to which Assignor may now or shall hereafter (including, without limitation, during any period of redemption, if any) become entitled or may demand or claim, arising or issuing from or out of the Lease or Guaranty or from or out of the Mortgaged Property, or any part thereof, including but not limited to minimum rents, additional rents, percentage rents, common area maintenance charges, parking charges, taxes and insurance premium contributions and liquidated damages following default, the premium payable by Lessee under the Lease upon the exercise of any cancellation privilege provided for in the Lease, payments from Guarantor and all proceeds payable under any policy of insurance covering loss of rents resulting from un-tenantability caused by destruction or damage to the Mortgaged Property, together with any and all rights and claims of any kind which Assignor may have against Lessee or Guarantor in connection with the Lease or against any subtenants, occupants or users of the Mortgaged Property, all such monies, rights and claims in this paragraph described being hereinafter referred to as the "Rents".

To induce Assignee to lend the funds evidenced by the Note, Assignor hereby makes the following REPRESENTATIONS AND WARRANTIES:

That Assignor has good title and interest in and to the Lease, Guaranty and Rents hereby assigned and good right, title and interest to assign the same, and, other than Lessee, to the knowledge of Assignor that no other person, corporation or entity has any right, title or interest therein; that Assignor has duly and punctually performed all and singular the terms, covenants, conditions and warranties of the existing Lease on Assignor's part to be kept, observed and performed; that Assignor has not previously sold, assigned, transferred, mortgaged or pledged the Lease, Guaranty or the Rents, whether now due or hereafter to become due; that any of the Rents due for any period subsequent to the date hereof have not been collected and that payment of any of the Rents has not otherwise been anticipated, waived, released, discounted, set off or otherwise discharged or compromised; and that Assignor has not received any funds or deposits from Lessee in excess of one (1) month's rent for which credit has not already been made on account of accrued rents; and that the lessee under any existing Lease is not in default of any of the terms thereof.

Assignor further COVENANTS AND AGREES:

1. to observe, perform and discharge any and all of the obligations, covenants and warranties provided for under the terms of the Lease and Guaranty to be kept, observed and

performed by Assignor unless good cause exists for failing to do so, and to give prompt written notice to Assignee in the event Assignor fails to observe, perform and discharge same;

2. upon the written request of Assignee, to notify in writing Lessee, Guarantor and/or other occupant of the Mortgaged Property or any part thereof that any security deposits or other deposits heretofore delivered to Assignor have been retained by Assignor or assigned and delivered to Assignee as the case may be;

3. to enforce or secure, in the name of Assignee (if Assignee should so request after an Event of Default), the performance of each and every obligation, term, covenant, condition and agreement to be performed by (a) Lessee under the terms of the Lease or (b) Guarantor under the terms of its Guaranty;

4. to appear in and defend any action or proceeding arising under, occurring out of or in any manner connected with the Lease, the Guaranty or the obligations, duties or liabilities of Assignor and Lessee thereunder, and, upon request by Assignee upon the occurrence and during the continuance of any Event of Default, to do so in the name and on behalf of Assignee but at the sole cost and expense of Assignor, and to pay any and all reasonable costs and expenses of Assignee, including, without limitation, reasonable attorneys' fees and expenses in any action or proceeding in which Assignee may appear;

5. not to receive or collect any Rents from any present or future lessee or from any current or future guarantor for a period of more than one (1) month in advance, or pledge, transfer, mortgage or otherwise encumber or assign future payments of the Rents;

6. not to waive, excuse, condone, discount, set off, compromise or in any manner release or discharge any current or future guarantor or lessee from any material obligations, covenants, conditions and agreements by said lessee or guarantor to be kept, observed and performed, including, without limitation, the obligation to pay rent in the manner and at the place and time specified in any current or future lease.

7. not to enter into any new leases and not to cancel, terminate or consent to any surrender of the existing Lease or any Guaranty, or materially modify or materially alter the terms of any lease or any guaranty without, in each such instance, the prior written consent of Assignee.

8. promptly upon receipt of demand from Assignee, to notify Lessee, Guarantor and/or other occupant of the Mortgaged Property in writing of the rights granted to Assignee hereunder, and upon the occurrence and during the continuance of any Event of Default, to direct, in writing, Lessee, Guarantor and/or other occupant of the Mortgaged Property to pay all Rents then due or to become due from Lessee, Guarantor and occupant directly to Assignee upon such Lessee's, Guarantor's or occupant's receipt of written notice from Assignee of Assignee's exercise of Assignee's rights under this Assignment;

9. to provide Assignee with copies of any and all notices, complaints, demands and petitions regarding (a) any actual, potential or alleged default on the part of the landlord or the tenant under the Lease or (b) Hazardous Materials (as such term is defined in the Deed of Trust), sent or received by Assignor immediately upon Assignor's sending same or within five (5) days of Assignor's receipt of same, as applicable; and

10. to promptly remit to Assignee any and all Rents received by Assignor after Assignor's receipt from Assignee of a notice terminating Assignor's license to collect Rents granted herein.

So long as there shall not exist any Event of Default by Assignor in the payment of any indebtedness and/or the performance of the other obligations secured hereby or in the observance and performance of any other obligation, covenant or warranty set forth herein or in the Note, the Deed of Trust or any other document executed by Assignor evidencing, securing or relating to the Note (such documents being herein referred to individually and collectively as the "Loan Documents"), Assignor shall have the right under a license granted hereby (but limited as provided in the following paragraph) to collect, receive and retain, but not prior to accrual, any and all of the Rents arising from or out of the Leases and to enforce the terms of the Leases and to otherwise deal with, and enjoy the rights of the lessor under, the Leases. Notwithstanding the aforesaid license of Assignor to collect rents under the Lease prior to an Event of Default, Assignee may collect or receive all payments, premiums and considerations paid by Lessee or Guarantor, whether or not pursuant to the terms of any Lease or Guaranty, for the right to terminate, cancel or modify the Lease, with an option to apply any money so received by Assignee to the reduction of the principal or interest or any other indebtedness evidencing, securing or relating to the Loan Documents in any order or manner Assignee elects (provided that no prepayment fee or premium shall apply) or escrowed for tenant improvement and leasing commission costs to re-tenant the space.

Upon or at any time during the continuance of an Event of Default (as defined in the Deed of Trust), Assignee, at its option, shall have the right, power and authority to exercise and enforce any or all of the following rights and remedies: (a) to terminate the license hereby granted to Assignor to collect the Rents and enforce the Leases as aforesaid, and, without taking possession of the Mortgaged Property, to, in Assignee's own name, demand, collect, receive, sue for, attach and levy the Rents, to give proper receipts, releases and acquittances therefor, and, after deducting all necessary and reasonable costs and expenses of collection, including, without limitation, reasonable attorneys' fees and expenses, to apply the net proceeds thereof, together with any funds of Assignor deposited with Assignee, upon any indebtedness secured hereby or obligation provided for in any of the Loan Documents and in such order as Assignee may determine; (b) to declare all sums secured hereby immediately due and payable and, at Assignee's option, to exercise any and all of the rights and remedies provided for in the Loan Documents or under the terms hereof; and (c) subject to applicable law, without any action or proceeding, through any person or by agent, or by a receiver to be appointed by a court, to enter upon, take possession of, manage and/or operate the Mortgaged Property or any part thereof, and irrespective of Assignor's possession of the Mortgaged Property, to make, modify, enforce, cancel or accept surrender of any of the Leases and Guaranties, to remove and evict any Lessee

or other occupant, to increase or reduce rents, to decorate, clean and make repairs and to otherwise do any act or incur any cost or expenses Assignee shall deem proper to protect the Lease, Guaranty and the Mortgaged Property, as fully and to the same extent as Assignor could if in possession, and in such event to apply any funds so collected to the operation and management of the Mortgaged Property, but in such order as Assignee shall deem proper, and including payment of reasonable management, brokerage and attorneys' fees, and then, to the extent funds are available and to the extent deemed appropriate by Assignee, to the maintenance, without interest thereon, of a reserve for replacement of items on the Mortgaged Property, and then, if any of such funds remain, to the payment of any indebtedness evidencing, securing or relating to the terms of the Loan Documents whether or not then due.

The exercise by Assignee of any of the rights and remedies described above, including, without limitation, collection of the Rents and application thereof as aforesaid and/or the entry upon and taking possession of the Mortgaged Property, shall not cure or waive any Event of Default or waive, modify or affect any notice of default under the Loan Documents or hereunder, or invalidate any act done pursuant to such notice, and the enforcement of such right or remedy by Assignee, once exercised, shall continue for so long as Assignee shall elect until the collection and application as aforesaid of the Rents has cured the original Event of Default. If Assignee shall thereafter elect to discontinue the exercise of any such right or remedy, the same or any other right or remedy hereunder may be reasserted at any time and from time to time following any subsequent Event of Default.

Notwithstanding the aforesaid license of Assignor to collect the Rents accruing under the Lease prior to an Event of Default, Assignee shall at all times be the creditor of Lessee under the Lease and Guaranty in respect of assignments for the benefit of creditors, bankruptcy, reorganization, rearrangement, insolvency, dissolution, or receivership proceedings, with Assignee having the option to apply any monies received by Assignee as such creditor to reduction of the principal or interest or other indebtedness evidencing, securing or relating to the Loan Documents. Further, Assignor covenants and agrees to promptly pay over to Assignee any and all sums received by Assignor as creditor in respect to an assignment for the benefit of creditors in bankruptcy, reorganization, arrangement, insolvency, dissolution or receivership proceedings, or as payment, premium or other consideration in connection with the cancellation or modification of the Lease, whereupon Assignee shall have the option to apply any funds so received to the reduction of the principal or interest or any other indebtedness evidencing, securing or relating to the Loan Documents in any order or manner Assignee elects.

This Assignment shall remain in effect for as long as any part of the indebtedness evidencing, securing or relating to the Loan Documents remains unpaid, and upon payment in full of said indebtedness, Assignee shall execute a release of this Assignment upon written request of Assignor and at the expense of Assignor.

Notwithstanding any law to the contrary, if there is an Event of Default, and if there is any law requiring Assignee to take actual possession of the Mortgaged Property (or some action equivalent thereto, such as securing the appointment of a receiver) in order for Assignee to "perfect" or "activate" its rights and remedies as set forth herein, then to the maximum extent

permitted by law, Assignor waives the benefits of such law and agrees that such law shall be satisfied solely by (1) Assignee sending Assignor written notice that Assignee intends to enforce, and is enforcing, its rights in and to the Mortgaged Property and the rents, revenues, profits and other items assigned herein, and (2) Assignee sending written notice to any or all tenants on the Mortgaged Property that said tenants should commence making payments under the Lease directly to Assignee or its designee.

In the event any one or more of the provisions contained in this Assignment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Assignment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

This Assignment shall run with the land and shall inure to the benefit of and bind all parties hereto and their respective successors and assigns. This Assignment shall be interpreted, construed and enforced in accordance with the internal laws of the State of Utah.

Reference is made to the Deed of Trust for the limitations on recourse as to Assignor, which are incorporated herein by referenced for all purposes.

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EXECUTED TO BE EFFECTIVE as of the Effective Date.

ASSIGNOR:

SAINT PAUL PROPERTIES FUND III, LLC,
a Delaware limited liability company

By: Saint Paul Properties Management II, LLC
Its: Chief Manager

By: 
Name: Paul Knapp
Title: Managing Director

STATE OF MINNESOTA

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COUNTY OF RAMSEY

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On August 26, 2016, before me, the undersigned, a Notary Public for said State, personally appeared Paul Knapp, Managing Director of Saint Paul Properties Management II, LLC, a Delaware limited liability company, the Chief Manager of Saint Paul Properties Fund III, LLC, a Delaware limited liability company, known to me to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same on behalf of the limited liability company on behalf of the limited partnership.


NOTARY PUBLIC



Signature/Notary Page to Absolute Assignment of Leases and Rents

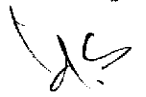
EXHIBIT "A"

MORTGAGED PROPERTY

PARCEL 1

All of Lot 1, WALL COMMERCIAL SUBDIVISION, according to the Official Plat thereof, recorded in the Office of the County Recorder of WEBER County, State of Utah.

The following is shown for informational purposes only:
Tax Parcel No. 15-474-0001



PARCEL 2

An easement for ingress and egress, but not for parking in favor of Lot 1, as set forth in Declaration of Easements recorded September 24, 2007, as Entry No. 2293736 and as shown on the Survey of Reeve & Associates, Inc., dated May 23, 2007, last revised August 30, 2007, Job No. 1756-10, and as shown on the dedicated plat.