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 Book - 9909 Pg - 366-378
 Gary W. Ott
 Recorder, Salt Lake County, UT
 DURHAM, JONES AND PINEGAR
 BY: eCASH, DEPUTY - EF 13 P.

WHEN RECORDED MAIL TO:

Pam Banks
 Ethan Allen Global, Inc.
 Ethan Allen Drive
 Danbury, CT 96811

11145101
 3/4/2011 1:07:00 PM \$34.00
 Book - 9909 Pg - 6190-6202
 Gary W. Ott
 Recorder, Salt Lake County, UT
 DURHAM, JONES AND PINEGAR
 BY: eCASH, DEPUTY - EF 13 P.

Tax ID Nos.: 21-13-227-013-4001
 21-13-227-013-4002

THIS DOCUMENT IS BEING RE-RECORDED
 TO REPLACE PAGE 13

LEASEHOLD DEED OF TRUST

With Assignment of Rents

This Leasehold Deed of Trust with Assignment of Rents (this "Deed of Trust"), is made this 1st day of March, 2011, by WATSON INVESTMENT, LLC, a Utah Limited Liability Company ("Trustor"), having an address at 10390 South State Street, Sandy, Utah 84070, to LANDMARK TITLE COMPANY, a Utah corporation ("Trustee"), having an address at 675 East 2100 South, Suite 200, Salt Lake City Utah 84106, for the benefit of ETHAN ALLEN GLOBAL, INC., a Delaware corporation ("Beneficiary"), whose address is Ethan Allen Drive, Danbury, CT 06811.

CONVEYANCE AND GRANT: For valuable consideration the receipt and sufficiency of which is hereby acknowledged, Trustor irrevocably GRANTS, CONVEYS AND WARRANTS TO TRUSTEE IN TRUST, WITH POWER OF SALE, for the benefit of Beneficiary, all of Trustor's right, title and leasehold interest in and to the following described property, situated in Salt Lake County, State of Utah (the "Real Property"):

A parcel of land located in the Northwest quarter of Section 18, Township 3 South, Range 1 East and the Northeast quarter of Section 13, Township 3 South, Range 1 West, Salt Lake Base and Meridian, Salt Lake County, Utah more particularly described as follows:

Beginning at a point on the East line of Section 13, said point being South 00°54'30" West 1100.10 feet from the Northeast Corner of said Section 13 and running thence South 89°59'00" East 21.65 feet; thence South 00°01'00" West 143.42 feet; thence North 89°59'00" West 57.18 feet; thence South 00°01'00" West 12.00 feet; thence North 89°59'00" West 45.00 feet; thence North 00°01'00" East 12.00 feet; thence North 89°59'00" West 74.16 feet; thence North 00°01'00" East 143.42 feet; thence South 89°59'00" East 154.69 feet to the East line of said Section 13 and to the POINT OF BEGINNING. Containing 0.593 acres (25,831 square feet), more or less.

Basis of bearing being the East line of the Northeast Quarter of Section 13, Township 3 South, Range 1 West, Salt Lake Base & Meridian, which has a bearing of South 00°54'30" West.

Real Property address (for informational purposes only); 10390 South State Street, Sandy, UT 84070.

The Real Property tax identification numbers are 21-13-227-013-4001 and 27-13-227-013-4002.

Together with all buildings, fixtures and improvements thereon (collectively, the "Improvements") and all water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditaments, privileges and appurtenances thereunto belonging, now or hereafter used or enjoyed with said property, or any part thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues, and profits.

Trustor holds a leasehold interest in the Real Property as the successor-by-assignment of the tenant's leasehold interest under a "Ground Lease" dated August 18, 2008 (the "Ground Lease"), between Macerich South Towne Limited Partnership, a California limited partnership, as the "Landlord," and Blue Canary Holdings 397253R, LLC, a Utah limited liability company, as the initial "Tenant." Trustor is the owner of the Improvements located on the Real Property, subject to the reversionary right of the landlord under the Ground Lease upon the termination thereof. Notwithstanding anything herein to the contrary, any reference in this Deed of Trust to Trustor's ownership, title or other interest in the Real Property shall mean its leasehold interest under the Ground Lease only and not a fee title interest, and any reference to Trustor's ownership of the Improvements on the Real Property shall mean its ownership interest therein subject to the reversionary rights of the Landlord under the Ground Lease. The Real Property and Improvements are sometimes collectively referred to herein as the "Secured Property."

For the Purpose of Securing:

(1) Payment of the indebtedness evidenced by a promissory note of even date hereof in the principal sum of **\$500,000.00**, made jointly by Trustor and Mark Brown & Sons, Inc. ("Mark Brown"), payable to the order of Beneficiary at the times, in the manner and with interest as therein set forth, and any extensions and/or renewals or modifications thereof; (2) the performance of each agreement of Trustor herein contained; (3) the payment of such additional loans or advances as hereafter may be made to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust; (4) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest thereon as herein provided; and (5) payment of any and all advances of credit under an Open Account Line of Credit granted to Mark Brown, or other future obligations of Mark Brown to Beneficiary under any promissory note, contract, guaranty, or other evidence of such Obligation existing now or executed after this Deed of Trust (collectively, the "Obligations") whether or not this Deed of Trust is specifically referred to in the evidence of such Obligations. All amounts owed are secured even though all amounts may not yet be advanced, but are contemplated and will be secured and will have priority to the same extent as if made on the date this Deed of Trust is executed.

To Protect the Security of This Deed of Trust, Trustor Agrees:

1. **Maintenance of Property**. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and

workmanlike manner any building which may be constructed, damaged or destroyed thereon; to comply with all laws, covenants and restrictions affecting said property; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general; and, if the loan secured hereby or any part thereof is being obtained for the purpose of financing construction of improvements on said property Trustor further agrees:

(a) To commence construction promptly and to pursue same with reasonable diligence to completion in accordance with plans and specifications satisfactory to Beneficiary, and

(b) To allow Beneficiary to inspect said property at all times during construction.

Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this numbered paragraph, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

2. **Insurance.** To provide and maintain insurance, of such type or types and amounts as Beneficiary may require, on the improvements now existing or hereafter erected or placed on said property. Such insurance shall be carried in companies approved by Beneficiary with loss payable clauses in favor of and in form acceptable to Beneficiary. In the event of loss, Trustor shall give immediate notice to Beneficiary, who may make proof of loss, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Beneficiary, instead of to Trustor and Beneficiary jointly, and the insurance proceeds, or any part thereof, may be applied by Beneficiary, at its option, to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In the event that the Trustor shall fail to provide satisfactory hazard insurance, the Beneficiary may procure, on the Trustor's behalf, insurance in favor of the Beneficiary alone. If insurance cannot be secured by the Trustor to provide the required coverage, this will constitute an act of default under the terms of this Deed of Trust. Notwithstanding the foregoing, until such time as the leasehold deed of trust granted by Trustor to First Utah Bank to secure the Existing Debt, as more fully described in Paragraph 8 below, has been released or reconveyed, Trustor's fulfillment of its obligations under such leasehold deed of trust with respect to obtaining and maintaining insurance on the Secured Property shall satisfy its obligations to Beneficiary under this Paragraph 2, provided Beneficiary is named as an additional insured on such insurance policy, and Trustor shall only be required to obtain an maintain insurance under this Paragraph 2 at such time as said leasehold deed of trust has been released or reconveyed.

3. **Evidence of Title.** To deliver to, pay for and maintain with Beneficiary until the indebtedness secured hereby is paid in full, such evidence of title as Beneficiary may reasonably require, including policies of title insurance and any extensions or renewals thereof or supplements thereto.

4. **Defense of Title.** To appear in and defend any action or proceeding purporting to affect the security hereof, the title to said property, or the rights or powers of Beneficiary or Trustee; and should Beneficiary or Trustee elect to appear in or defend any such action or

proceeding, to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum incurred by Beneficiary or Trustee.

5. **Payment of Taxes.** To pay at least 10 days before delinquency all taxes and assessments affecting said property, including all assessments upon water company stock and all rents, assessments and charges for water, appurtenant to or used in connection with said property; to pay, when due, all encumbrances, charges, and liens with interest, on said property or any part thereof, which at any time appear to be prior or superior hereto; to pay all costs, fees, and expenses of this Trust.

6. **Trustee's and Beneficiary's Right to Perform.** Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: Make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title, employ counsel, and pay his reasonable fees.

7. **Interest.** To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the rate of fifteen percent (15%) per annum until paid, and the repayment thereof shall be secured hereby.

TRUSTOR COVENANTS, WARRANTS AND AGREES:

8. **Title.** Trustor warrants that Trustor has a good and marketable title to a leasehold estate in the Real Property subject to no lien, charge or encumbrance except a leasehold deed of trust given to First Utah Bank securing an existing obligation that has a current principal balance of approximately \$2,881,000 (the "Existing Debt") or as Beneficiary has agreed to accept in writing. Trustor expressly covenants and agrees to pay, or see to the payment of the Existing Debt and to prevent any default on such indebtedness, any default under the instruments evidencing such indebtedness or any default under any security documents for such indebtedness. Trustor covenants that this Deed of Trust is and will remain a valid and enforceable Deed of Trust on the Secured Property subject only to the exceptions provided in this Deed of Trust. Trustor has full power and lawful authority to enter into this Deed of Trust for the Secured Property in the manner and form used here whether intended now or intended to be done later. Trustor will preserve the title and will forever warrant and defend it to Beneficiary and will forever warrant and defend the validity and priority of the lien against the claims of all persons and parties;

9. **Additional Acts.** Trustor will, at the cost of Trustor, and without expense to Beneficiary, do any acts and execute, acknowledge and deliver all deeds, conveyances, mortgages, assignments, notices of assignments, transfers and assurances as Beneficiary shall

from time to time require to preserve the priority of the lien of this Deed of Trust or to facilitate the performance of the terms of it;

10. **Payment of Note.** Provided, however, that if Trustor pays to Beneficiary the indebtedness in the principal sum of \$500,000.00 as evidenced by a Promissory Note (the "Note") of even date with this Deed of Trust, or any renewal or replacement of the Note, executed by Trustor and payable to order of Beneficiary, with interest and on the terms as provided in it, and together with all other sums advanced by Beneficiary to or on behalf of Trustor pursuant to the Note or this Deed of Trust, on or before the final maturity date of the Note and this Deed of Trust as specified in the Note, and shall perform all other covenants and conditions of the Note, all of the terms of which are incorporated by reference as through set forth fully here, and of any renewal, extension or modification of the Note and of this Deed of Trust, then this Deed of Trust and the estate created by it shall cease and terminate.

11. **Payment of Principal and Interest.** To pay all sums, including interest secured, when due, as provided for in the Note and any renewal, extension or modification of it and in this Deed of Trust, all sums to be payable in lawful money of the United States of America at Beneficiary's principal office mentioned above, or at any other place as Beneficiary may designate in writing.

12. **Payment by Monthly Deposits; Acceleration.** If required by Beneficiary, to also make monthly deposits with Beneficiary, in a non-interest bearing account, together with and in addition to interest and principal, of a sum equal to one twelfth of the yearly taxes and assessments which may be levied against the Secured Property, and (if so required) one-twelfth of the yearly premiums for insurance on it. The amount of the taxes, assessments and premiums, when unknown, shall be estimated by Beneficiary. The deposits shall be used by Beneficiary to pay the taxes, assessments and premiums when due. Any insufficiency of an account to pay the charges when due shall be paid by Trustor to Beneficiary on demand. If, by reason of any default by Trustor under any provision of this Deed of Trust, Beneficiary declares all sums secured by this Deed of Trust to be due and payable, Beneficiary may then apply any funds in the account against the entire indebtedness secured by this Deed of Trust. The enforceability of the covenants relating to taxes, assessments and insurance premiums otherwise provided in this Deed of Trust shall not be affected excepted insofar as those obligations have been met by compliance with this paragraph. Beneficiary may from time to time at its option waive, and after any such waiver reinstate, any or all provisions requiring the deposits, by notice to Trustor in writing. While any such waiver is in effect, Trustor shall pay taxes, assessments and insurance premiums as provided elsewhere in this Deed of Trust. Notwithstanding the foregoing to the contrary, Trustor shall not be required to make any deposits described in this Paragraph 12 until such time as: (a) the Existing Debt has been repaid and the leasehold deed of trust securing the same has been released and reconveyed, (b) Trustor fails to pay any taxes or insurance premiums described herein within thirty (30) days after the date the same became due and payable, or (c) an event of default has occurred with respect to the Existing Debt and the holder thereof has accelerated the balance thereof and/or commenced foreclosure proceedings, which first occurs.

13. **Payments Required by Subsequent Laws.** To promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal or municipal law or

regulation passed later, against Beneficiary on this Deed of Trust or the debt secured by this Deed of Trust, or on its interest under this Deed of Trust; provided, however, that the total amount paid for any taxes pursuant to this paragraph together with the interest payable on the indebtedness shall not exceed the highest lawful rate of interest in Utah. In the event of the passage of any such law or regulation imposing a tax or assessment against Beneficiary on this Deed of Trust or the debt secured by it, the entire indebtedness secured by this Deed of Trust shall become immediately due and payable at the option of Beneficiary.

14. **Written Beneficiary Consent.** To first obtain the written consent of Beneficiary, the consent to be granted or withheld at the sole discretion of Beneficiary, before:

A. Removing or demolishing any building now or erected later on the premises covered by this Deed of Trust;

B. Altering the arrangement, design or structural character of it;

C. Making any repairs which involve the removal of structural parts or the exposure of the interior of the building to the elements;

D. Cutting or removing or permitting the cutting and removal of any tress or timber on the Secured Property;

E. Removing or exchanging any tangible personal property which is part of the Secured Property;

F. Modifying any leases on the Secured Property; or

G. Modifying, amending, extending or renewing any agreement (Mortgage, Note, Security Agreement, etc.) which has priority over this Deed of Trust.

15. **Compliance with Laws.** To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Secured Property, and not to cause or permit any violation of them.

16. **Valuation/Appraisal Laws Inapplicable to Security.** All sums of money secured by this Deed of Trust shall be payable without any relief from any valuation or appraisal laws.

17. **Events of Default; Acceleration.** The occurrence of any of the following conditions shall constitute an "Event of Default" under this Deed of Trust:

A. Default is made in payment of any installment of principal or interest of the Note or any part of it when due, or in payment, when due, of any other sum secured by this Deed of Trust, and such default has not been cured within any applicable cure period provided in the Note, or

B. A default in performance of any of Trustor's obligations, covenants or agreements under this Deed of Trust, and the failure to cure such default within twenty (20) days after written notice thereof is given to Trustor, or

C. A default or alleged default of the Existing Debt or any instrument evidencing or securing such obligation, or

D. Default or allegation of default by a third party under any instrument where said party claims a priority over this Deed of Trust.

Upon the occurrence of an Event of Default, and during the continuance thereof, all of the indebtedness secured by it shall become and be immediately due and payable at the option of Beneficiary, without notice or demand, which are waived. In this event, Beneficiary may avail itself of all rights and remedies, at law or in equity, and this Deed of Trust may be foreclosed with all rights and remedies afforded by the laws of Utah and Trustor shall pay all costs, charges and expenses, including a reasonable attorney's fee, including all costs, expenses and attorney's fees for any retrial, rehearing or appeals. The indebtedness secured by this Deed of Trust shall bear interest at the highest lawful rate of interest per year allowed by the law of Utah from and after the date of any default of Trustor. If the Note provides for installment payments, Beneficiary may, at its option, collect a late charge as may be provided for in the Note, to reimburse Beneficiary for expenses in collecting and servicing the installment payments.

18. **Remedies upon Event of Default.** Upon the occurrence of an Event of Default, and during the continuance thereof:

A. Beneficiary is authorized at any time, without notice, in its sole discretion to enter on and take possession of the Secured Property or any part of it, to perform any acts Beneficiary deems necessary or proper to conserve the security and to collect and receive all rents, issues and profits of it, including those past due and those accruing later; and

B. Beneficiary shall be entitled, as a matter of strict right, without notice and ex parte, and without regard to the value or occupancy of the security, or the insolvency of Trustor, or the adequacy of the Secured Property as security for the Note, to have a receiver appointed to enter on and take possession of the Secured Property, collect the rents and profits from it and apply them as the court may direct, the receiver to have all the rights and powers permitted under the laws of Utah. In either case, Beneficiary or the receiver may also take possession of, and for these purposes use, any and all personal property which is a part of the Secured Property and used by Trustor in the rental or leasing of the Secured Property or any part of it. The expense (including receiver's fees, counsel fees, costs and agent's compensation) incurred pursuant to the powers contained in this Deed of Trust shall be secured by this Deed of Trust. Beneficiary shall (after payment of all costs and expenses incurred) apply any rents, issues and profits received by it on the indebtedness secured here in the order that Beneficiary determines. The right to enter and take possession of the Secured Property, to manage and operate it, and to collect the rents, issues and profits of it, whether by a receiver or otherwise, shall be cumulative to any other right or remedy described here or afforded by law, and may be

exercised concurrently or independently. Beneficiary shall be liable to account only for the rents, issues and profits actually received by Beneficiary.

19. **Further Security; Beneficiary Options.** If the indebtedness secured in this Deed of Trust is now or later further secured by chattel mortgages, security interest, financing statements, pledges, contracts of guaranty, assignments of leases, or other securities, or if the Secured Property encumbered consists of more than one parcel of real property, Beneficiary may at its option exhaust any one or more of the securities and security under this Deed of Trust, or any parcels of the security under this Deed of Trust, either concurrently or independently, and in such an order as it may determine.

20. **Beneficiary Rights.** Without affecting the liability of Trustor or any other person (except any person expressly released in writing) for payment of any indebtedness secured by this Deed of Trust or for performance of any obligation contained in it, and without affecting the rights of Beneficiary with respect to any security not expressly released in writing, Beneficiary may, at any time and from time to time, either before or after the maturity of the Note, and without notice or consent:

A. Release any person liable for payment of all or any part of the indebtedness or for performance of any obligation;

B. Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness, or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge here;

C. Exercise or refrain from exercising or waive any right Beneficiary may have;

D. Accept additional security of any kind; and

E. Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the Secured Property.

21. **Subsequent Superior Agreement.** Any agreement made later by Trustor and Beneficiary pursuant to this Deed of Trust shall be superior to the rights of the holder of any intervening lien or encumbrance.

22. **Waiver of Homestead Exemption.** Trustor waives all right of homestead exemption, if any, in the Secured Property.

23. **Condemnation.** Subject to any superior rights of the holder of the leasehold deed of trust securing the Existing Debt to any condemnation proceeds, in the event of condemnation proceedings of the Secured Property, the award or compensation payable is assigned to and shall be paid to Beneficiary. Beneficiary shall be under no obligation to question the amount of any such award or compensation and may accept it in the amount in which it shall be paid. In any such condemnation proceedings, Beneficiary may be represented by counsel selected by

Beneficiary. Subject to the superior rights of the holder of the leasehold deed of trust securing the Existing Debt, the proceeds of any award or compensation received by Beneficiary shall, at the option of Beneficiary, either be applied to the prepayment of the Note and at the rate of interest provided in it, regardless of the rate of interest payable on the award by the condemning authority, or at the option of Beneficiary, the award shall be paid over to Trustor for restoration of the Secured Property.

24. **Multiple Parties.** All obligations of Trustor hereunder shall be joint and several and all references to Trustor shall mean each and every Trustor. This means that each of the persons signing below is responsible for all the obligations hereunder.

25. **Financial Statements.** At the option of Beneficiary, Trustor shall provide Beneficiary with periodic financial statements of the operations of and the financial condition of Trustor.

26. **No Assumption; Due on Sale Clause.** The Note secured by this Deed of Trust is personal to Trustor and Mark Brown, and Beneficiary made the loan to Trustor and Mark Brown based on their credit and Beneficiary's judgment of their ability to repay all sums due under this Deed of Trust. Therefore this Deed of Trust may not be assumed by any subsequent holder of an interest in the Secured Property. If all or any part of the Secured Property, or any interest in it, is sold, conveyed, transferred (including a transfer by agreement for deed or land contract) or further encumbered by Trustor without Beneficiary's prior written consent, excluding the grant of any leasehold interest in the Secured Property not containing an option to purchase, which is made in the ordinary course of Trustor's business, or a transfer permitted under the terms of the Note, then Beneficiary may declare all sums secured by this Deed of Trust immediately due and payable.

27. **Representations and Warranties of Trustor.** Trustor represents and warrants that it is duly formed and validly existing, and is fully qualified to do business in the state of Utah, with full power and authority to consummate the loan contemplated in this Deed of Trust.

28. **Severability.** If any one or more of the provisions contained in this Deed of Trust or in the Note is for any reason held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall, at the option of Beneficiary, not affect any other provisions of this Deed of Trust, but this Deed of Trust shall be construed as if the invalid, illegal or unenforceable provision had never been contained in this Deed of Trust. The total interest payable pursuant to the Note or this Deed of Trust shall not in any one year exceed the highest lawful rate of interest permitted in Utah.

29. **Successors and Assigns Also Bound.** The covenants and agreements contained in this Deed of Trust shall bind and the benefits and advantages shall inure to the respective heirs, executors, administrators, successors, and assigns of the parties. Wherever used, the singular number includes the plural, the plural includes the singular, and the use of any gender applies to all genders. All covenants, agreements and undertakings shall be joint and several. If additional numbered covenants or paragraphs are for convenience inserted in this Deed of Trust,

the additional covenants shall be read and given effect as though following this covenant in consecutive order.

IT IS MUTUALLY AGREED THAT:

30. **Damage to Property.** Should the Improvements or any part thereof be damaged by fire, earthquake, or in any other manner, Beneficiary shall be entitled to all insurance proceeds, and shall be entitled at its option to commence, appear in and prosecute in its own name, any action or proceedings, or to make any compromise or settlement, in connection with such damage. All such insurance proceeds, including the proceeds of any policies of fire and other insurance affecting said property, are hereby assigned to Beneficiary, who may, after deducting therefrom all its expenses, including attorney's fees, apply the same on any indebtedness secured hereby. Trustor agrees to execute such further assignments of any insurance proceeds as Beneficiary or Trustee may require. Notwithstanding the foregoing to the contrary, the rights of Beneficiary in any insurance proceeds under this Paragraph 30 shall at all times be subject and subordinate to the rights of the Landlord under the Ground Lease and the rights of the holder of the beneficial interest in the leasehold deed of trust securing the Existing Debt. Further, if no Event of Default has occurred and is continuing under this Deed of Trust at the time of any damage or destruction to the Improvements, Beneficiary will make any insurance proceeds available to Trustor to rebuild or restore the damaged Improvements to the condition they were in immediately before such damage or destruction, provided (a) the amount of any insurance proceeds, plus any other funds made available by Trustor for such purpose, are sufficient to pay for all costs and expenses of such repairs or restoration, (b) Trustor notifies Beneficiary within three (3) months after such damage or destruction of whether or not it intends to repair or restore the same, and (c) Trustor commences such repairs or restoration within six (6) months after the date of such damage or destruction. If Trustor fails or is unable to comply with the conditions set forth in the preceding clauses (a) through (c), Beneficiary shall be entitled to apply any insurance proceeds received or held by it to the payment of the Obligations.

31. **Actions of Trustee Affecting Secured Property.** At any time and from time to time upon written request of Beneficiary, payment of its fees and presentation of this Deed of Trust and the Note for endorsement (in case of full reconveyance, for cancellation and retention) without affecting the liability of any person for the payment of the indebtedness secured hereby, and without releasing the interest of any party joining in this Deed of Trust, Trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; (d) grant any extension or modification of the terms of this loan; and (e) reconvey, without warranty, all or any part of said property. The grantee in any reconveyance may be described as "the person or persons entitled thereto", and the recitals therein of any matters of facts shall be conclusive proof of the truthfulness thereof. Trustor agrees to pay reasonable trustee's fees for any of the services mentioned in this paragraph.

32. **Additional Security.** As additional security, Trustor hereby assigns to Beneficiary, during the continuance of these trusts, all rents, issues, royalties, and profits of the property affected by this Deed of Trust and of any personal property located thereon. Until Trustor shall default in the payment of any indebtedness secured hereby or in the performance of

any agreement hereunder, Trustor shall have the right to collect all such rents, issues, royalties, and profits earned prior to default as they become due and payable. If Trustor shall default as aforesaid, Trustor's right to collect any of such moneys shall cease and Beneficiary shall have the right, with or without taking possession of the property affected hereby, to collect all rents, royalties, issues, and profits. Failure or discontinuance of Beneficiary at any time or from time to time to collect any such moneys shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power, and authority to collect the same. Nothing contained herein, nor the exercise of the right by Beneficiary to collect, shall be, or be construed to be, an affirmation by Beneficiary of any tenancy, lease or option, nor an assumption of liability under, nor a subordination of the lien or charge of this Deed of Trust to any such tenancy, lease or option.

33. **Receivership.** Upon the occurrence of an Event of Default and during the continuance thereof, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court (Trustor hereby consenting to the appointment of Beneficiary as such receiver), and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in its own name sue for or otherwise collect said rents, issues, and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine.

34. **Actions Not Curing Defaults.** The entering upon and taking possession of said property, the collection of such rents, issues, and profits, or the proceeds of fire and other insurance policies, or compensation or awards for any taking or damage of said property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

35. **Non-Waiver.** The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default shall not constitute a waiver of any other or subsequent default.

36. **Time of the Essence.** Time is of the essence hereof. Upon default by Trustor in the payment of any indebtedness secured hereby or in the performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of Beneficiary. In the event of such default, Beneficiary may execute or cause Trustee to execute a written notice of default and of election to cause said property to be sold to satisfy the obligations hereof, and Trustee shall file such notice for record in each county wherein said property or some part or parcel thereof is situated. Beneficiary also shall deposit with Trustee, the Note and all documents evidencing expenditures secured hereby.

37. **Foreclosure.** After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of default and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property on the date and at the time and place designated in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine (but subject to any statutory right of Trustor to direct the order in which such property, if consisting of several known lots or parcels,

shall be sold), at public auction to the highest bidder, the purchase price payable in lawful money of the United States at the time of sale. The person conducting the sale may, for any cause he deems expedient, postpone the sale from time to time until it shall be completed and, in every such case, notice of postponement shall be given by public declaration thereof by such person at the time and place last appointed for the sale; provided, if the sale is postponed for longer than forty-five (45) days or existing law beyond the day designated in the notice of sale, notice thereof shall be given in the same manner as the original notice of sale. Trustee shall execute and deliver to the purchaser its Deed conveying said property so sold, but without any covenant of warranty, express or implied. The recitals in the Deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Beneficiary, may bid at the sale. Trustee shall apply the proceeds of the sale to payment of (1) the cost and expenses of exercising the power of sale and of the sale, including the payment of the Trustee's and attorney's fees; (2) cost of any evidence of title procured in connection with such sale and revenue stamps on Trustee's Deed; (3) all sums expended under the terms hereof, not then repaid, with accrued interest at fifteen per cent (15%) per annum from date of expenditure; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto, or the Trustee, in its discretion, may deposit the balance of such proceeds with the County Clerk of the county in which the sale took place.

38. **Acceleration; Foreclosure.** Upon the occurrence of an Event of Default hereunder, Beneficiary shall have the option to declare all sums secured hereby immediately due and payable and foreclose this Deed of Trust in the manner provided by law for the foreclosure of deeds of trust on real property, and Beneficiary shall be entitled to recover in such proceedings all costs and expenses incident thereto, including a reasonable attorney's fee in such amount as shall be fixed by the court.

39. **Successor Trustee.** 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 said 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. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

40. **Successors and Assigns.** This Deed of Trust shall apply to, inure to the benefit of, and bind all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. All obligations of Trustor hereunder are joint and several. The term "Beneficiary" shall mean the owner and holder, including any pledgee, of the Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

41. **Acceptance by Trustee.** Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party, unless brought by Trustee.

42. **Construction of Law.** This Deed of Trust shall be construed according to the laws of the State of Utah.

43. **Copies of Notice of Default.** The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to it at the address hereinbefore set forth.

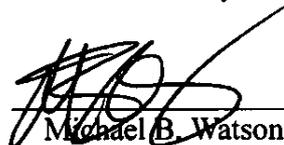
44. **Payments on Ground Lease.** Trustor shall make all lease payments under the Ground Lease and perform all of its other obligations thereunder necessary to prevent an event of default from occurring. Quarterly, and at such other times as Beneficiary may request, Trustor shall certify to Beneficiary in writing that no event of default has occurred and is continuing under the Ground Lease.

TRUSTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND TRUSTOR AGREES TO ITS TERMS.

Trustor has executed this Deed of Trust the day and year first above written.

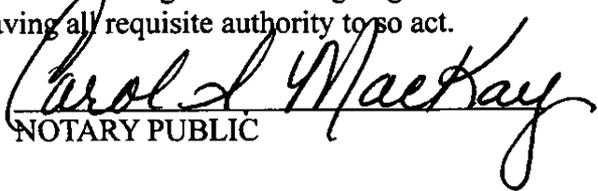
WATSON INVESTMENTS, LLC,
a Utah limited liability company

By: _____


Michael B. Watson
Its Manager

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

On this 4th day of March, 2011, before me, the undersigned notary public, personally appeared Michael B. Watson, the Manager of Watson Investments, LLC, a Utah limited liability company, who duly acknowledge to and before me that he signed the foregoing instrument for and on behalf of said limited liability company, having all requisite authority to so act.


NOTARY PUBLIC

