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Rashelle Hobbs, Recorder, Salt Lake County, Utah
Return To: COTTONWOOD TITLE INSURANCE AGENCY, INC.
1996 EAST 6400 SOUTH SUITE 120 SALT LAKE CITY, UT 84121

When recorded, return to:
Morgan Williamson LLP
Attn: Samuel S. Karr, Esq.
701 S. Taylor St., Suite 440
Amarillo, Texas 79101
193856-MCF

**DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**

THIS DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "*Deed of Trust*") is made this 30 day of September, 2025, by PARADIGM HIGH SCHOOL, a Utah nonprofit corporation, whose address is 11577 S 3600 W, Salt Lake County, South Jordan, Utah 84095 herein called "*Grantor*," to Cottonwood Title Insurance Agency, Inc., whose address is 1216 W. Legacy Crossing Blvd., Suite 100, Centerville, Utah 84014, herein called "*Trustee*," for the use and benefit of CLI Capital, a Texas real estate investment trust, whose address is 905 South Polk Street, Suite 300, Amarillo, Potter County, Texas 79101, herein called "*Beneficiary*."

WITNESSETH: THAT FOR THE PURPOSE OF SECURING (1) Payment in the sum of \$4,425,000.00 with interest thereon, according to the terms of the Real Estate Lien Note of even date herewith made by Grantor, payable to Beneficiary or order, which, if not sooner paid, is due and payable in full on or before the Maturity Date (as defined in the Note, as defined below), and all modifications, extensions, renewals, and/or replacements thereof (the "*Note*"); (2) Payment of such additional sums with interest thereon (a) as may be hereafter borrowed from Beneficiary by the then record owner of the property hereinbelow described and evidenced by a promissory note or notes reciting it is or they are so secured, and all modifications, extensions, renewals and/or replacements thereof, and, (b) as may be incurred, paid out, or advanced by Beneficiary or may otherwise be due to Trustee or Beneficiary under any provision of this Deed of Trust and all modifications, extensions, renewals and/or replacements thereof; (3) Performance of each agreement or obligation contained herein or incorporated herein by reference or contained in any papers executed by Grantor relating to the loan of money by Beneficiary to Grantor as evidenced by the Note and any future notes secured hereby (the "*Loan*"), including, without limitation, performance of each provision or agreement of Grantor contained in the Loan Agreement as it may be amended, modified, extended, renewed, restated, or supplemented from time to time (the "*Loan Agreement*") between Grantor and Beneficiary of even date herewith, any applications, reimbursement agreements or other documents relating to letters of credit issued by Beneficiary for the account of Grantor, and any other agreement between Grantor and Beneficiary relating to the Loan (all of such documents and agreements as they may be amended, modified, extended, renewed, restated, or supplemented from time to time, are herein called the "*Loan Documents*"); (4) Payment by Grantor of each and every monetary provision to be performed by Grantor under any declaration of covenants, conditions, and restrictions pertaining to the property hereinbelow described and upon written request of Beneficiary, the enforcement by Grantor of any covenant

to pay maintenance or other charges, which enforcement shall include, if the same have not been paid within thirty (30) days after such written request is made, valid legal steps to enforce such payment; (5) Payment of all fees and charges owing to Beneficiary in connection with the Loan, whether or not herein set forth, except where the document or agreement relating to such fees and charges expressly provides that payment of the same is an unsecured obligation of Grantor or is otherwise not intended to be secured by this Deed of Trust; (6) Any reimbursement obligations, fees and expenses for letters of credit issued by Beneficiary for the account of Grantor; and (7) Payment of charges, as allowed by law when such charges are made, for any statement regarding the obligations secured hereby (collectively, the "***Obligation***").

GRANTOR IRREVOCABLY GRANTS, BARGAINS, SELLS, CONVEYS, WARRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE, ITS SUCCESSORS AND ASSIGNS, IN TRUST FOREVER, WITH POWER OF SALE, and right of entry and possession to the extent provided herein or by law, for the use and benefit of Beneficiary, as beneficiary, all of that certain real property located at located in the County of Salt Lake, State of Utah, described as:

SEE ATTACHED EXHIBIT "A" INCORPORATED HEREIN BY THIS REFERENCE

(the "***Real Property***").

TOGETHER WITH all interests which Grantor now has or may hereafter acquire in or to the Real Property and in and to: (a) all tenements hereditaments, licenses, easements, gores of Real Property, streets, ways, alleys, passages, sewer rights, and rights of way appurtenant thereto; (b) all buildings, structures, improvements, fixtures, appliances, machinery, equipment, goods, and other articles of real or personal property of every kind and nature (other than consumable goods), whether or not physically attached or affixed to the Real Property and now or hereafter installed or placed thereon, and used in connection with any existing or future operation thereof (including, but not limited to, all apparatus and equipment used to provide or supply air-cooling, air-conditioning, heat, gas, water, light, power, laundry, garbage disposal, fire prevention and extinguishing equipment, elevators, antennas, pool equipment, window coverings, floor coverings, ranges, ovens, dishwashers, and water heaters), it being intended and agreed that such items be conclusively deemed to be affixed to and to be part of the Real Property that is conveyed hereby (all of the herein above described property called the "***Improvements***"); (c) all water, water courses and water rights (whether or not appurtenant) and shares of stock pertaining to such water or water rights, ownership of which affects the Real Property; (d) all shrubs, trees, crops, and plants; (e) all adjacent land included in enclosures or occupied by buildings located partly on the Real Property; and (f) subject to the terms of the Loan Agreement all claims, demands and causes of action of every kind (including proceeds of settlements of any such claim, demand, or cause of action of any kind and which are subject to Paragraph 9 below) which Grantor now has or may hereafter acquire arising out of acquisition or ownership of the Real Property, including insurance proceeds of any kind whatsoever (whether or not from insurance specifically required by the Loan Documents), and any award of damages or compensation for injury to or in connection with any condemnation for public use of the Real Property or any part thereof (whether or not eminent domain proceedings have been instituted), subject however to the right, power and authority given to and conferred upon Beneficiary by Paragraph 9 below, incorporated herein by reference, it being agreed, however, that Trustee shall have no duty to prosecute any such claim, demand or cause of action; (g) all plans and

specifications prepared for construction of any Improvements, and all contracts and agreements of Grantor relating to such plans and specifications or to the construction of the Improvements, provided that nothing herein shall be deemed to be an assumption by Beneficiary of any obligation of Grantor with respect to such plans and specifications or such construction or under any agreement relating thereto, nor shall Beneficiary otherwise incur any liability with respect thereto unless and until Beneficiary, in its sole and absolute discretion, shall hereafter expressly agree in writing; (h) all sales agreements, deposits, escrow agreements, and other documents and agreements entered into by Grantor with respect to the sale of all or any part of the Real Property or any interest therein; (i) all accounts, deposit accounts, instruments, chattel paper, documents, letters of credit, letter of credit rights, supporting obligations, permits, governmental approvals and entitlements, licenses, management contracts, and other contracts and agreements in which Grantor now has or may hereafter have an interest arising out of, or relating to, the acquisition, development, ownership, management or use of the Real Property (but without Beneficiary assuming or incurring any obligation or liability of Grantor arising thereunder or relating thereto), and all general intangibles arising out of or relating to the acquisition, development, ownership, management or use of the Real Property, including all software and names by which the Improvements or other property associated therewith may at any time be known or operated and all rights to carry on business under such names or any variant thereof and all trademarks and goodwill in any way relating to the Improvements or such other property; and (j) all additions, substitutions and proceeds (cash and noncash) of the foregoing.

ALSO TOGETHER WITH, all of the estate, right, title, and interest of Grantor, both at law and in equity, therein and thereto, to secure the performance by Grantor of the covenants, conditions and agreements to be performed by Grantor thereunder, and any option to purchase any greater interest than Grantor now owns; and any and all other further or additional title, estate, interest or right which may at any time be acquired by Grantor in or to the Real Property, Grantor hereby agreeing that if Grantor shall, at any time prior to payment in full of all Secured Indebtedness, acquire any other or greater estate than Grantor now owns in the Real Property, then, and in that event, the lien of this Deed of Trust shall automatically, and without the need for further action by any party hereto, attach, extend to, cover and be a lien upon such greater estate, and Grantor will promptly execute, acknowledge and deliver such instruments as Beneficiary may reasonably require to accomplish such result;

ALSO TOGETHER WITH all profits, royalties, tolls, earnings, income and other benefits therefrom and installments of money payable pursuant to any agreement for sale of the Real Property or any part thereof or interest therein and any release, termination or "buy-out" consideration now or hereafter payable to Grantor with respect to any lease, rental, tenancy, occupancy or other agreement;

ALSO TOGETHER WITH all right, title, and interest of Grantor in and to any and all leases and rental, tenancy and occupancy agreements now or hereafter on or affecting the Real Property or the Improvements and all books and records pertaining thereto (the "**Leases**"), together with all rents, issues, profits, security deposits, royalties, tolls, earnings, income and other benefits payable thereunder (collectively, "**Rents and Profits**"), subject however to the right, power and authority given to and conferred upon Beneficiary and Grantor herein. The immediately foregoing provision shall, to the extent permitted by applicable law, constitute an absolute, present and executed assignment of the Rents and Profits, subject, however, to the

conditional license given to Grantor to collect, hold and use such Rents and Profits to the extent provided herein;

For the purpose of this Deed of Trust, including all provisions incorporated by reference herein, all of the foregoing described real property, property rights, and interests shall be referred to as "*the Property*" or "*such Property*".

GRANTOR COVENANTS AND AGREES WITH BENEFICIARY AS FOLLOWS:

1. **PERFORMANCE OF NOTE AND OTHER LOAN DOCUMENTS.** Grantor shall perform, observe and comply with all provisions hereof, of the Note, and of every other Loan Document and will promptly pay to Beneficiary the principal with interest thereon and all other sums required to be paid by Grantor under the Note and pursuant to the provisions of this Deed of Trust and of every other Loan Document when payment shall become due, provided that nothing herein shall be construed to cause this Deed of Trust to secure any covenant or other obligation of Grantor under any Loan Document which is expressly stated to be an unsecured obligation of Grantor or to be an obligation of Grantor which is not secured by this Deed of Trust.

2. **GENERAL REPRESENTATIONS, COVENANTS AND WARRANTIES.** Grantor represents, covenants and warrants that as of the date hereof and at all times hereafter during the term hereof: (a) Grantor is the lawful owner of good and marketable fee simple title to the Property and has good right and authority to grant, bargain, sell, convey, transfer, and assign the Property, and is the owner of the Improvements hereby secured, and has good right to grant, bargain, sell, convey, transfer, and assign the same as security under this Deed of Trust; (b) Grantor will warrant and forever defend the title to the Property against the claims of all persons whomsoever claiming the same or any part thereof, and this warranty of title shall survive the foreclosure of this Deed of Trust and shall inure to the benefit of and be enforceable by any person who may acquire title to the Property pursuant to foreclosure; and (c) all representations and warranties of Grantor set forth in the Loan Document are true and correct.

3. **NO OTHER LIENS.** Grantor will not, without the prior written consent of Beneficiary, create, place or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain, any deed of trust, mortgage, voluntary or involuntary lien, whether statutory, constitutional or contractual, security interest, encumbrance or charge, or conditional sale or other title retention document, against or covering the Property, or any part thereof, other than the liens disclosed on Exhibit B, attached hereto (the "*Permitted Encumbrances*"), regardless of whether the same are expressly or otherwise subordinate to the lien or security interest created in this Deed of Trust, and should any of the foregoing become attached hereafter in any manner to any part of the Property without the prior written consent of Beneficiary, Grantor will cause the same to be promptly discharged and released. Grantor will own all parts of the Property and will not acquire any fixtures, equipment or other property (including software embedded therein) forming a part of the Property pursuant to a lease, license, security agreement or similar agreement, whereby any party has or may obtain the right to repossess or remove same, without the prior written consent of Beneficiary. If Beneficiary consents to the voluntary grant by Grantor of any deed of trust, lien, security interest, or other encumbrance (hereinafter called a "*Subordinate Lien*") covering any of the Property or if the

foregoing prohibition is determined by a court of competent jurisdiction to be unenforceable as to a Subordinate Lien, any such Subordinate Lien shall contain express covenants to the effect that: (1) the Subordinate Lien is unconditionally subordinate to this Deed of Trust and all Leases; (2) if any action (whether judicial or pursuant to a power of sale) shall be instituted to foreclose or otherwise enforce the Subordinate Lien, no tenant of any of the Leases shall be named as a party defendant, and no action shall be taken that would terminate any occupancy or tenancy without the prior written consent of Beneficiary; (3) Rents and Profits, if collected by or for the holder of the Subordinate Lien, shall be applied first to the payment of all indebtedness secured by this Deed of Trust (the "***Secured Indebtedness***") and expenses incurred in the ownership, operation and maintenance of the Property in such order as Beneficiary may determine, prior to being applied to any indebtedness secured by the Subordinate Lien; (4) written notice of default under the Subordinate Lien and written notice of the commencement of any action (whether judicial or pursuant to a power of sale) to foreclose or otherwise enforce the Subordinate Lien or to seek the appointment of a receiver for all or any part of the Property shall be given to Beneficiary with or immediately after the occurrence of any such default or commencement; and (5) neither the holder of the Subordinate Lien, nor any purchaser at foreclosure thereunder, nor anyone claiming by, through or under any of them shall succeed to any of Grantor's rights hereunder without the prior written consent of Beneficiary.

4. **SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND LEASES, AND FINANCING STATEMENTS.** Grantor (as Debtor) hereby grants to Beneficiary (as Creditor and Secured Party) a security interest in all of the Property which is tangible or intangible personal property, including without limitation, fixtures, goods, accounts, deposit accounts, instruments, chattel paper, documents, letters of credit, letter of credit rights, supporting obligations, and general intangibles described hereinabove and all additions, substitutions and proceeds (cash and noncash) of the foregoing (as each of the foregoing terms, as applicable, are defined in the Uniform Commercial Code (as defined herein)).

Grantor shall execute any and all such documents as Beneficiary may request, including without limitation, financing statements pursuant to the Uniform Commercial Code in the jurisdiction in which the Property is located or in which Grantor resides or is formed or organized, as applicable (the "***Uniform Commercial Code***"), to preserve and maintain the priority of the lien created hereby on property which may be deemed personal property or fixtures, and shall pay to Beneficiary on demand any reasonable expenses reasonably incurred by Beneficiary in connection with the preparation, execution and filing of any such documents. Said financing statements shall be filed in the real estate records of the county in which the Property is located and such other offices as Beneficiary deems advisable under the Uniform Commercial Code. Grantor hereby authorizes Beneficiary to file all financing statements, refilings, continuations and amendments thereof as Beneficiary deems necessary or advisable to create, preserve and protect said lien and security interest, including those that (a) indicate the Property: (i) as all assets of Grantor or words of similar effect, regardless of whether any particular asset comprised in the Property falls within the scope of Article 9 of the Uniform Commercial Code, or (ii) as being of an equal or lesser scope or with greater detail, and (b) provide any other information required by Part 5 of Article 9 of the Uniform Commercial Code for the sufficiency or filing office acceptance of any financing statement or amendment. Grantor shall cooperate with Beneficiary in obtaining control of deposit accounts, letter of credit rights and any other collateral for which control is necessary for perfection under the Uniform

Commercial Code. This Deed of Trust constitutes a security agreement for any and all items of Property which are personal property and fixtures and which, under applicable law, may be subject to a security interest pursuant to the applicable Uniform Commercial Code and which are not herein effectively made part of the Property. Grantor hereby grants Beneficiary a security interest in said property, and in all additions, substitutions and proceeds (cash and noncash) thereof, for the purpose of securing all indebtedness and obligations of Grantor now or hereafter secured by this Deed of Trust. The remedies available to Beneficiary for violations of the covenants, terms and conditions set forth in this security agreement shall be (i) as set forth in this Deed of Trust and (ii) as permitted under applicable law, including the Uniform Commercial Code. Each of these remedies shall be distinct and cumulative as to all other rights or other remedies and may be exercised concurrently, independently or successively, as Beneficiary may elect.

This Deed of Trust constitutes a financing statement filed as a fixture filing in the Official Records of the County Recorder of the county in which the Property is located with respect to any and all fixtures included within the term "Property" as used herein and with respect to any goods or other personal property that may now be or hereafter become such fixtures.

Grantor and Beneficiary agree that neither the filing of a financing statement in the public records normally having to do with personal property nor the taking of any other action described in the above Paragraph shall be construed in any way as derogating from or impairing the express declaration and intention of the parties hereto, hereinabove stated, that everything used in connection with the production of income from the Property and/or adapted for use therein and/or which is described or reflected in this Deed of Trust is, and at all times and for all purposes and in all proceedings both legal or equitable, shall be regarded, to the extent permitted by applicable law, as part of the real estate encumbered by this Deed of Trust irrespective of whether (i) any such item is physically attached to the Improvements, (ii) serial numbers are used for the better identification of certain equipment or other items capable of being thus identified in a recital contained herein or in any list filed with Beneficiary, or (iii) any such item is referred to or reflected in any such financing statement so filed at any time. Similarly, the mention in any such financing statement of (1) rights in or to the proceeds of any fire and/or hazard insurance policy, or (2) any award in eminent domain proceedings for a taking or for loss of value, or (3) Grantor's interest as lessor in any present or future Leases or right to income growing out of the use and/or occupancy of the Property, whether pursuant to lease or otherwise, shall never be construed as in any way altering any of the rights of Beneficiary as determined by this Deed of Trust or impugning the priority of Beneficiary's lien granted hereby or by any other recorded document, but such mention in the financing statement is declared to be for the protection of Beneficiary in the event any court or judge shall at any time hold with respect to clauses (1), (2), and (3) of this Paragraph 4 that notice of Beneficiary's priority of interest to be effective against a particular class of persons, including but not limited to the federal government and any subdivisions or entity of the federal government, must be filed in such public records.

Grantor represents, covenants and warrants that as of the date hereof and at all times hereafter during the term hereof as follows: Grantor's full, correct and exact legal name is set forth in the introductory paragraph of this Deed of Trust. If Grantor is not an individual, Grantor is an organization of the type and (if not an unregistered entity) is incorporated in, organized or formed under the laws of the state specified in the introductory paragraph to this Deed of Trust.

If Grantor is an unregistered entity (including, without limitation, a general partnership) it is organized or formed under the laws of the state specified in the introductory paragraph of this Deed of Trust. In the event of any change in name or identity of Grantor, Grantor shall notify Beneficiary in writing of such change at least thirty (30) days prior to the effective date of such change and hereby authorizes Beneficiary to file such Uniform Commercial Code forms as are necessary to maintain the priority of Beneficiary's lien upon the Property which may be deemed personal property or fixtures, including future replacement thereof, which serves as collateral under this Deed of Trust, and shall pay all expenses in connection with the filing and recording of such forms.

Grantor hereby assigns, sells, conveys, and sets over unto Beneficiary all of Grantor's right, title, and interest in and to any and all Leases, together with all security therefor and all monies payable thereunder, and all books and records pertaining thereto, subject, however, to the conditional license hereinabove given to Grantor to collect the Rents and Profits arising under any such Leases. This is a present, effective, and absolute assignment, and Beneficiary shall have the right, at its option, to enter and take possession of the premises affected by any Lease and to perform all acts necessary for the operation and maintenance of such premises in the same manner and to the same extent that Grantor might reasonably so act. In furtherance of the foregoing, and not by way of limitation, Beneficiary is empowered, but shall have no obligation, to collect the Rents and Profits accruing under any Lease, to enforce payment thereof and the performance of any and all terms and provisions thereof, to exercise all the rights and privileges of Grantor thereunder.

5. **REPAIR AND MAINTENANCE OF PROPERTY.** Grantor covenants and agrees with Beneficiary to cause the Property to be managed in a first class manner satisfactory to Beneficiary; to keep the Property in good condition and repair, including, without limitation, maintaining all structures on the Property free of any liquid water and/or water vapor intrusion into the structures in amounts that could support the growth of fungus and/or mold inside the structures and free of any sites of growing fungus and/or mold inside the structures; not substantially to alter, remove or demolish any buildings or other Improvements except when incident to the replacement of fixtures, machinery or appliances with items of like kind and of at least equivalent value; to restore promptly and in a good and workmanlike manner to no less than the equivalent of its condition on origination of the Loan any buildings or other Improvements which may be damaged or destroyed, including, without restricting the generality of the foregoing, damage from termites and earth movement, whether or not insurance proceeds are available to cover any part of the cost of such restoration and repair; to pay when due all claims for labor performed and materials furnished in connection with the Property and not to permit any mechanic's or materialman's lien to be filed or remain against the Property, subject to Grantor's right to contest claims as provided in the Loan Agreement; to comply with all laws affecting the Property or the operation or leasing thereof or requiring any alterations or improvements to be made thereon, including, without limitation, the Americans with Disabilities Act of 1990; to fully remedy in a manner acceptable to Beneficiary any notice of violation or any other notice issued by any governmental entity having jurisdiction over the Property within thirty (30) days of the date of such notice; not to commit or permit waste thereon; not to commit, suffer or permit any act upon the Property in violation of law; to cultivate, irrigate, fertilize, fumigate and prune all landscaping on the Property; and to do all other acts that from the character or use of the Property may be reasonably necessary to keep the Property in the same or better condition

(reasonable wear and tear excepted) as at the date of this Deed of Trust; to perform and keep each of the covenants and agreements required to be kept and performed by Grantor pursuant to the terms of the Lease and any and all other instruments creating Grantor's interest in or defining Grantor's rights in respect to the Property. Without the prior written consent of Beneficiary, Grantor shall not (i) initiate or acquiesce in a change in the zoning classification of and/or restrictive covenants affecting the Property or seek any variance under existing zoning ordinances, (ii) use or permit the use of the Property in a manner which may result in the use of the Property becoming a non-conforming use under applicable zoning ordinances, or (iii) subject the Property to restrictive covenants.

6. **INSURANCE.** At all times, Grantor is to provide, and maintain in full force and effect, and pay the cost of insurance in accordance with the terms and conditions of the Loan Agreement.

7. **DISPOSITION OF THE PROCEEDS OF ANY INSURANCE POLICY, CONDEMNATION OR OTHER RECOVERY.** The amount received by Beneficiary pursuant to this Deed of Trust under any insurance policy, or in connection with any condemnation for public use of the Property, or for injury or damage to the Property, or in connection with the transaction financed by the Loan secured hereby shall be applied as provided in the Loan Agreement.

Grantor hereby specifically, unconditionally and irrevocably waives all rights of a property owner granted under any applicable laws, which provide for allocation of condemnation proceeds between a property owner and a lienholder, and any other law or successor statute of similar import.

8. **TAXES, LIENS, AND OTHER SUMS DUE.** Grantor covenants and agrees with Beneficiary to pay, satisfy and discharge: (a) at least ten (10) days before delinquency, all general and special city and county taxes, and all assessments on water stock, affecting the Property, (b) when due, all special assessments for public improvements on or benefiting the Property, (c) on demand of Beneficiary but in no event later than the date such amounts and/or performance become due (i) all encumbrances, charges and liens (including, without limitation, income tax liens, or liens of a similar character, imposed or levied by the United States Government, the state in which the Property is located, any municipality or county, or an agency of any of them), with interest, on such Property, or any part thereof which are, or appear to Beneficiary to be prior to or superior to this Deed of Trust, (ii) all costs, fees and expenses under this Deed of Trust whether or not described herein, (iii) fees or charges for any statement regarding the obligation secured hereby in any amount demanded by Beneficiary not to exceed the maximum amount allowed by law therefor at the time when such request is made, (iv) Beneficiary's and Trustee's reasonable fees, charges and expenses for any other statement, information or services furnished by Beneficiary or Trustee in connection with the obligations secured hereby (said services may include, but shall not be limited to, the processing by Beneficiary or Trustee, or both, of assumptions, substitutions, modifications, extensions, renewals, subordinations, rescissions, changes of owners, recordation of maps, plats or records of survey, grants of easements, and full and partial reconveyances, and the obtaining by Beneficiary of any policies of insurance pursuant to any of the provisions contained in this Deed of Trust), (v) if such Property includes a leasehold estate, all payments and obligations (whether monetary

or otherwise) required of Grantor or its successor in interest under the terms of the instrument or instruments creating such leasehold, (vi) all payments and monetary obligations required of the owner of the Property under any declaration of covenants, conditions and restrictions pertaining to the Property or any modification thereof, and (vii) any sums advanced or paid by Beneficiary or Trustee under any clause or provision of this Deed of Trust. Should Grantor fail to make any such payment, Beneficiary, without contesting the validity or amount, may elect, but without obligation to do so, to make or advance such payment together with any costs, expenses, fees, or charges relating thereto, including employing counsel and paying attorneys' fees. Any such sum, until so repaid, shall be secured hereby and bear interest from the date it was advanced or paid at the Default Rate (as defined in the Note) and shall be secured by this Deed of Trust. Grantor agrees to notify Beneficiary immediately upon receipt by Grantor of notice of any increase in the assessed value of the Property and agrees that Beneficiary, in the name of Grantor, may contest by appropriate proceedings such increase in assessment. Grantor will obtain the written consent of Beneficiary prior to permitting any issuance of any improvement bond for unpaid special assessments. Grantor agrees to notify Beneficiary and appropriate taxing authorities immediately upon the happening of any event which does or may affect the value of Property, the amount or basis of assessment of the Property, or the availability of any exemption to which Grantor is or may be entitled. If any state, federal, municipal or other governmental law, order, rule or regulation, passed subsequent to the date hereof, in any manner changes or modifies existing laws governing the taxation of deeds of trust or debts secured by deeds of trust, or the manner of collecting taxes so as to materially and adversely affect the rights of Beneficiary, the entire balance of the Secured Indebtedness and all interest accrued thereon shall, without notice, become due and payable forthwith at the option of Beneficiary.

Notwithstanding the foregoing, Grantor shall have the right to contest diligently and in good faith the validity or amount of any tax, assessment or charge affecting the Property or any part thereof, and, so long as the validity or amount thereof is being contested diligently and in good faith, Grantor may, to the extent permitted by law, defer payment of such tax, assessment or charge, provided Grantor protects the Property against any lien arising out of any such tax, assessment or charge or out of any such contest by either (a) depositing with Beneficiary, in a non-interest bearing account, as additional security for the Loan, an amount equal to 120% of the amount of the tax, assessment or charge being contested, or (b) a surety bond in form and substance satisfactory to Beneficiary and issued by a corporate surety satisfactory to Beneficiary.

Grantor will pay when due and payable, all appraisal fees, recording fees, brokerage fees and commissions, abstract fees, title policy fees, escrow fees, attorneys' fees, fees of inspecting architect(s) and engineer(s), fees of environmental engineers and consultants, and all other costs and expenses of every character which have been incurred or which may hereafter be incurred by Beneficiary in connection with the issuance of its commitment for the Loan, the preparation and execution of Loan Documents, the funding of the Loan, and the administration and enforcement of this Deed of Trust, the Note and the other Loan Documents. During the term of the Loan, Grantor will, upon demand by Beneficiary, reimburse Beneficiary for all such expenses, together with accrued interest at the Default Rate, which have been incurred or which shall be incurred by Beneficiary, and Grantor will defend, indemnify and hold harmless Beneficiary and Trustee from and against, and reimburse them for, all claims, demands, liabilities, losses, damages, judgments, penalties, costs, and expenses (including, without limitation, reasonable attorneys' fees) which may be imposed upon, asserted against, or incurred or paid by Beneficiary or Trustee by reason

of, on account of or in connection with any bodily injury or death or property damage occurring in or upon or in the vicinity of the Property through any cause whatsoever or asserted against them on account of any act performed or omitted to be performed hereunder or on account of any transaction arising out of or in any way connected with the Property, or with this Deed of Trust or any of the Secured Indebtedness.

9. **CLAIMS, DEMANDS AND ACTIONS.** Grantor covenants and agrees with Beneficiary: (a) To give Beneficiary immediate notice of any claim, demand, action or proceeding purporting to affect the Property (including, without limitation, loan funds, whether or not disbursed) or purporting to affect the security hereof (whether or not it affects the security hereof) or the condition and integrity of the Improvements constructed thereon or purporting to affect the rights or powers of Beneficiary or Trustee or which are Commercial Tort Claims (as defined in the Uniform Commercial Code), (b) to defend any such action or proceeding; and (c) to file and prosecute all necessary claims and actions to prevent or recover for any damage to or destruction of the Property, and enforce against others each and every obligation to be performed by them under any declaration of covenants, conditions, and restrictions pertaining to the Property. Both Trustee and/or Beneficiary are hereby authorized, without obligation so to do, to commence, appear in, and defend any action or proceeding, whether or not brought by or against Grantor to exercise or enforce any other right, remedy, or power available or conferred hereunder, whether or not judgment be entered in any action or proceeding. Trustee and/or Beneficiary may appear or intervene in any action or proceeding, and retain counsel therein, and take such action therein as either may deem advisable, and may settle, compromise or pay the same or any other claims and, for any of said purposes, may expend and advance such sums of money as either may deem necessary. Grantor covenants that, in addition to the present assignment of actions, claims, damages and awards set forth herein, Grantor will execute and deliver to Beneficiary such assignments of actions, claims, damages, and awards as Beneficiary may, from time to time, request, including but not limited to, assignments to Beneficiary in such form as Beneficiary may require of all such claims, demands and actions which are Commercial Tort Claims (as defined in the Uniform Commercial Code). Grantor hereby authorizes Beneficiary to file all financing statements, refilings, continuations and amendments thereof as Beneficiary deems necessary or advisable under the Uniform Commercial Code in connection with such assignments. Whether or not Grantor so appears or defends, Grantor shall pay on demand all costs and expenses of Beneficiary and Trustee, including without limitation, costs of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear by virtue of being made a party defendant or otherwise and irrespective of whether the interest of Beneficiary or Trustee in the Property is directly questioned by such action including, but not limited to, any action for the condemnation or partition of the Property and any suit brought by Beneficiary to foreclose this Deed of Trust. Beneficiary may apply, use or release such monies so received by it in the same manner as in Paragraph 7 provided for the proceeds of insurance.

10. **ACCUMULATION ACCOUNT.** Grantor covenants and agrees with Beneficiary, upon demand by Beneficiary, to pay to Beneficiary in addition to and concurrently with any other payments required in any note secured by this Deed of Trust, monthly advance installments, as estimated by Beneficiary from time to time for the purpose of establishing an account (the "**Accumulation Account**") for payment of any or all taxes, assessments, special assessments, fire, casualty, liability, and other insurance premiums, encumbrances and leasehold

payments, security deposits, or other obligations required to be paid with respect to the Property (hereafter in this Paragraph referred to as "**Impositions**"). Grantor shall deliver promptly to Beneficiary all bills and notices of such Impositions. If the amounts paid to Beneficiary under the provisions of this Paragraph are not sufficient to pay such Impositions as they become due, Grantor shall pay to Beneficiary promptly upon demand the amount of the deficiency. All monies paid to Beneficiary under this Paragraph shall not be held in trust and may be intermingled with other monies of Beneficiary and such amounts held by Beneficiary shall earn only such interest as prescribed by law, if any. Beneficiary shall pay such Impositions before delinquency. In the event of a default in the payment of any note secured by this Deed of Trust, default of any obligation secured hereby, or default in the performance of any of the covenants and obligations of this Deed of Trust, then any balance remaining from monies paid Beneficiary under the provisions of this Paragraph may, at the option of Beneficiary, be applied to the payment of principal, interest or obligations secured hereby in lieu of being applied to any of the purposes for which the Accumulation Account is established. At all times, any negative balance in the Accumulation Account shall constitute a secured advance made by Beneficiary to protect its security under this Deed of Trust and shall, after notice to Grantor, accrue interest at the Default Rate defined in the Note. Beneficiary will make such reports of the Accumulation Account as are required by law.

11. SALES, TRANSFERS, FURTHER ENCUMBRANCES AND OTHER EVENTS. Beneficiary shall have the right, at its option, to declare all sums secured hereby immediately due and payable, if (a) Grantor or any successor in interest to Grantor conveys, transfers or assigns the Property or any part thereof, or interest therein, or agrees to do so, whether by deed, contract of sale, lease with option to buy, or otherwise and whether such conveyance, transfer or assignment is to an unrelated third party or a related entity, including without limitation an entity that shares a common ownership with Grantor or an entity that is a subsidiary of Grantor; (b) in the event that the Property is not rental property, Grantor or any successor in interest to Grantor leases the Property or any part thereof without the prior written consent of Beneficiary; or (c) in the event that the Property is rental property, Grantor or any successor in interest to Grantor enters into any lease, rental agreements, tenancy agreement, or occupancy agreement in violation of any of the terms or conditions under this Deed of Trust or any other Loan Document; or (d) suffers its title or any interest therein to be divested, whether voluntarily or involuntarily; or (e) without the written consent of Beneficiary, Grantor or any successor in interest to Grantor changes or permits to be changed the character or use of the Property from the character or use contemplated by Grantor and Beneficiary upon execution of this Deed of Trust, as specified in Grantor's application to Beneficiary and other documents executed by Grantor in connection with the Loan, including, without limitation, drilling or extracting oil, gas, or other hydrocarbon substances, or any mineral of any kind or character; or (f) suit be commenced to condemn the Property as being unfit for human use and occupancy or to abate as a nuisance activities or conditions found thereon (and Beneficiary reasonably believes that its security under this Deed of Trust may be impaired by such suit or the activities or conditions which are the subject of such suit) or for the partition or sale of the Property; or (g) in the event that Grantor is a general partnership or limited liability company, any of the partners' or members' interests in Grantor or any portion thereof are sold, transferred or assigned, whether voluntarily or involuntarily, other than to such partners' or members' respective family revocable trusts; or (h) in the event that Grantor is a corporation, more than twenty percent (20%) of the capital stock thereof is sold, transferred or assigned, whether voluntarily or involuntarily, other

than to the shareholders' respective family revocable trusts; or (i) Grantor or any successor in interest to Grantor has made any oral or written material misrepresentations or failed to disclose any material fact, in order to induce Beneficiary to enter into the transaction evidenced by the Note or any agreements which this Deed of Trust secures; or (j) Grantor or any successor in interest to Grantor has disbursed funds collected from Rents and Profits to itself or its equity owners for personal use without first reserving sufficient funds to be used for the protection or preservation of the Property, for maintaining the Property in good condition, and for making such capital improvements and replacements to the Property as are reasonably foreseeable to be required within a period of twelve (12) months following the date of such distribution of funds. If any of the events described in this Paragraph 11 occur and if Beneficiary consents to the same, then such consent must be in writing and signed by Beneficiary to be effective. Such written consent shall not be deemed or construed as a waiver of any of Beneficiary's rights or as a cure of any default by Grantor pertaining to any subsequent occurrences of any event described in this Paragraph 11 and the written consent of Beneficiary shall be required on all subsequent occurrences. Furthermore, if any event described in this Paragraph 11 occurs and if Beneficiary does not give its written consent to same but fails to exercise its right to declare all sums secured hereby due and payable, such failure shall not be deemed or construed as a waiver of any of Beneficiary's rights or as a cure of any default of Grantor pertaining to the occurrence of such event or any subsequent occurrences of any event described in this Paragraph 11. The right of Beneficiary to declare all sums secured hereby immediately due and payable if any of the events described in this Paragraph 11 occur shall not be construed or deemed to be exclusive of any other rights of Beneficiary set forth in this Deed of Trust or the Loan Documents, or any rights at law or in equity now or hereafter existing, to declare all sums secured hereby immediately due and payable, but all such rights shall be cumulative.

12. **WAIVERS AND CONSENTS PERTAINING TO NOTE.** Grantor waives presentment, demand, protest and notice of nonpayment of the Note, and consents to delays, changes in time of payment, and the amount of installments due under the Note, and, to the extent provided in the Note, to the reduction or increase of the interest rate thereof.

13. **WAIVER OF STATUTE OF LIMITATIONS.** Time is of the essence in all Grantor's obligations hereunder, and to the fullest extent permitted by law, Grantor waives the right to assert any present or future statute of limitation with respect to any debt, demand or obligation secured hereunder in any action or proceeding for the purpose of enforcing this Deed of Trust, the Note or any other Loan Document or any rights or remedies hereunder.

14. **ESTOPPEL CERTIFICATES.** Grantor, within 10 days after written request from Beneficiary, shall furnish a written statement, duly acknowledged to Beneficiary and any third party designated by Beneficiary, setting forth the unpaid principal and interest and any other sums and charges due under the Note, this Deed of Trust and the other Loan Documents and any other unpaid sums secured hereby, and whether or not any offsets or defenses exist against such principal and interest or other sums or charges and stating that the Note, Deed of Trust and other Loan Documents have not been modified or stating that the Note, Deed of Trust or other Loan Documents have been modified and specifying such modifications, and that the Note, Deed of Trust and other Loan Documents, as unmodified or modified, as applicable, remain in full force and effect. If Grantor fails to execute and deliver such estoppel certificate within such 10-day period, Grantor shall be in default hereunder and, without limiting any other

rights or remedies of Beneficiary hereunder on account of such default, Grantor shall conclusively be deemed to have constituted and appointed Beneficiary as Grantor's special attorney-in-fact to execute and deliver any such estoppel certificate to any third party and shall be deemed to have certified that the Note, Deed of Trust and other Loan Documents remain in full force and effect, either unmodified or modified in the manner specified by Beneficiary, whichever Beneficiary reasonably may represent. Grantor and Beneficiary expressly agree that any such certificate may be relied on by any prospective purchaser of the Loan or any portion thereof or interest therein without independent investigation or examination.

15. **RIGHT TO COLLECT AND RECEIVE RENTS AND PROFITS.** The assignment of Rents and Profits set forth hereinabove shall be fully operative without any further action on the part of either party. Notwithstanding that Grantor has made a present, absolute and executed assignment of the Rents and Profits to Beneficiary, Beneficiary hereby grants a revocable license (the "*License*") to Grantor to collect, hold, apply and retain the Rents and Profits of the Property as they become due and payable, so long as Grantor is not in default under the Note, this Deed of Trust or any of the other Loan Documents. The License given to Grantor hereunder to collect, apply and retain such Rents and Profits shall be automatically revoked and terminated, without notice or demand of any kind, upon and after default by Grantor under the Note, the Deed of Trust or any of the other Loan Documents. Notwithstanding the foregoing, in the event that Beneficiary is required by any provision of law to give Grantor notice or to make a demand to terminate the License or to enforce the assignment granted by Grantor to Beneficiary hereunder, such notice, if not otherwise given by Beneficiary in such other manner as may be permitted or required by applicable law, shall be deemed to have been given by Beneficiary and actually received by Grantor when Beneficiary sends to Grantor, in the manner set forth herein, a written notice of default or demand for payment of the amount in default whether or not such notice or demand specifically refers to or contains a termination of the License. Grantor shall immediately turn over to Beneficiary upon receipt or collection any Rents and Profits collected or received by Grantor after the termination of said License or after default by Grantor under the Note, this Deed of Trust or any of the other Loan Documents. Any such Rents and Profits not turned over by Grantor to Beneficiary as required hereby shall be held by Grantor in trust for Beneficiary. After Grantor's default under the Note, this Deed of Trust or any of the other Loan Documents, Beneficiary, either in person, by agent, or by receiver to be appointed by the court, and without regard to the adequacy of any security for the indebtedness hereby secured may, in the sole discretion of Beneficiary and without regard to the adequacy of its security: (i) use and possess, without rental or charge, the personal property of Grantor located on the Property and used in the operation or occupancy thereof; (ii) apply the Rents and Profits, and any sums recovered by Beneficiary on account thereof, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any Secured Indebtedness and in such order as Beneficiary may determine (except for such application, Beneficiary shall not be liable to any person for the collection or non-collection of any Rents and Profits, nor for failure to assert or enforce any of the foregoing rights); (iii) take possession of the Property, manage and operate the Property and Grantor's business thereon, and take possession of and use all books of accounts and financial records of Grantor and its property managers or representatives relating to the Property; (iv) execute new leases of any part of the Property, including leases that extend beyond the term of this Deed of Trust, and cancel or alter any existing leases; (v) sign the name of Grantor and bind Grantor on all papers and documents relating to the operation, leasing and maintenance of the Property; (vi) demand payment from Grantor of all Rents and Profits

collected by Grantor from the date of the default, which Rents and Profits shall, from and after the occurrence of such default, be deemed held by Grantor in trust for Beneficiary; (vii) demand, receive, and sue for payment of Rents and Profits directly from Grantor's tenants, including serving notice upon any or all tenants for the payment directly to Beneficiary of all rents and other monetary obligations owing under such tenants' leases; (viii) bring an action against Grantor for turnover of Rents and Profits collected by Grantor after Grantor's default under the Note, this Deed of Trust or any of the other Loan Documents; (ix) to bring an action against Grantor to obtain the appointment of a receiver to collect and pay over to Beneficiary the Rents and Profits from the Property; and/or (x) take any and all other actions with respect to the Property and the Rents and Profits as may be permitted under or authorized by applicable law or any of the Loan Documents. Beneficiary may, in its sole and absolute discretion, seek the appointment of a receiver solely to collect the Rents and Profits from the Property, or may seek the appointment of a receiver to operate the Property and collect the Rents and Profits. Grantor hereby stipulates to the Court appointing a receiver its consent to such appointment, if at the time of Beneficiary's request Grantor is in default hereunder, or under the Note, the Deed of Trust or any of the other Loan Documents. The entering upon and taking possession of the Property, the collection of any Rents and Profits, the doing of other acts herein authorized and the application thereof as aforesaid shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. Nothing herein contained shall be construed as constituting Beneficiary a mortgagee in possession in the absence of the actual taking of possession of the Property by Beneficiary or as constituting an action, rendering any of Grantor's obligations to Beneficiary unenforceable, or otherwise limiting any rights available to Beneficiary.

16. **LEASES AFFECTING THE PROPERTY.** Grantor warrants, represents and covenants as each Lease now or hereafter covering all or any part of the Property, that (i) each Lease is a written legal instrument in full force and effect, valid and enforceable in accordance with its terms and has not been modified, amended or altered, whether in writing or orally; (ii) each Lease has been entered into for fair market value as the result of arm's length transactions; (iii) Beneficiary has had an opportunity to review each of the Leases; (iv) no default exists on the part of any tenant under any Lease or Grantor thereunder and to the best of Grantor's knowledge, no event has occurred and is continuing which would result in default but for the requirement that notice be given in accordance with the terms of the Lease; (v) no rent has been collected more than one (1) month in advance; (vi) no Lease, or any interest therein, nor Rents and Profits arising therefrom, has been previously assigned or pledged and remains the subject thereof; (vii) no tenant has any defense, setoff or counterclaim against Grantor under any Lease; (viii) all rent due under each Lease has been collected and no concession has been granted to any tenant under a Lease in the form of a waiver, release, reduction, discount or other alteration of rent due or to become due thereunder; (ix) no Lease grants to the tenant thereunder, or anyone else, an option to purchase, or a right of first refusal to purchase, any part of the Property; (x) Grantor is the sole owner of the entire landlord's interest in all Leases and it has not and will not perform or fail to perform any acts or execute any other instruments which might prevent Beneficiary from fully exercising its rights under the terms, covenants and conditions of this Deed of Trust; and (xi) Grantor has full right, power and authority to assign the Leases and the Rents and Profits to Beneficiary and Grantor has not done any act which might prevent Beneficiary from exercising its rights under this Deed of Trust.

The assignment of leases set forth hereinabove shall not be deemed to impose upon Beneficiary any of the obligations or duties of Grantor provided in any such Lease (including, without limitation, any liability under the covenant of quiet enjoyment contained in any Lease), and Grantor shall comply with and observe its obligations as landlord under all Leases affecting the Property or any part thereof.

Without the prior written consent of Beneficiary, Grantor shall not (i) amend, modify, cancel, terminate (except following a default by the tenant thereunder which has not been cured within the period, if any, expressly provided for such cure in the Lease) any Lease, (ii) waive, excuse, or in any manner release or discharge any tenant or guarantors from their obligations with respect to any Lease, (iii) extend the term of any Lease on the Property entered prior to the date hereof, or (iv) enter into any new Lease on the Property after the date hereof. Grantor shall not accept payment of rent more than one (1) month in advance without the prior written consent of Beneficiary. Beneficiary shall have the right to require at any time and from time to time that Grantor promptly furnish to Beneficiary original or certified copies of all Leases now existing or hereafter created.

Grantor will immediately notify Beneficiary when any release, termination or "buy-out" consideration is due and payable to Grantor by any tenants or guarantors with respect to any Lease. Notwithstanding anything to the contrary set forth in this Deed of Trust or any of the Loan Documents, Beneficiary may, in its sole and absolute discretion, require that any such release, termination or "buy-out" consideration be paid immediately to Beneficiary as proceeds of its collateral. In its absolute and sole discretion and without regard to the adequacy of Beneficiary's security, Beneficiary may apply such payments to reduce the unpaid principal balance of the Loan or deposit such payments in a non-interest bearing account established with Beneficiary which account shall be held as additional security for the Loan.

With respect to the assignment of leases hereinabove set forth, Grantor shall, from time to time upon request of Beneficiary, execute one or more separate specific lease assignment or assignments in such form as may be approved by Beneficiary, assigning to Beneficiary all right, title and interest of Grantor in and to any and all Leases now or hereafter on or affecting the Property, together with all security therefor and all monies payable thereunder, subject to the conditional License hereinabove given to Grantor to collect the Rents and Profits under any such Lease. Grantor shall also execute and deliver to Beneficiary any notification, financing statement or other document reasonably required by Beneficiary to perfect the foregoing assignment as to any such Leases. Beneficiary shall have the right, at any time and from time to time, to notify any tenant of the rights of Beneficiary as provided in the assignment by Grantor to Beneficiary of all Leases relating to the Property and to the Rents and Profits.

In the event of the occurrence of any default by Grantor under any Loan Document and the institution by Beneficiary of any foreclosure, receivership or other proceeding for the enforcement of Beneficiary's rights or remedies under this Deed of Trust, Beneficiary may elect at any time prior to consummation of a foreclosure sale of the Property, and the purchaser at such foreclosure sale (including Beneficiary) may elect at any time within thirty (30) days following the consummation of such foreclosure sale, to declare any or all Leases to be prior and superior to the lien of this Deed of Trust and to recognize the rights of the tenant(s) thereunder, in which event such Lease(s) shall survive such foreclosure sale and shall be and remain in full force and

effect, and the tenant(s) thereunder shall be obligated to attorn to Beneficiary or such purchaser and to execute and deliver such instruments of attornment as Beneficiary or such purchaser shall require. Any such election shall be in the sole discretion of Beneficiary or such purchaser, and shall be evidenced by written notice from Beneficiary to Grantor and/or to the applicable tenant(s) delivered either prior to or within thirty (30) days following such foreclosure sale, by a statement of such election contained in the notice of the foreclosure sale, and/or by announcement at such foreclosure sale.

17. **FAILURE OF GRANTOR TO COMPLY WITH DEED OF TRUST.** Upon the occurrence of an Event of Default, as defined in the Loan Documents, or any other event of default as specified herein, Grantor shall be in default under this Deed of Trust, and Beneficiary (but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, and without contesting the validity or amount of the same) shall have the right, at its option, to declare all sums secured hereby immediately due and payable, and may make or do the same in such manner and to such extent as it may deem necessary to protect the security hereof, Beneficiary being authorized to enter upon the Property for such purposes, and in exercising any such power, pay necessary expenses, employ counsel and pay attorneys' fees. Furthermore, at any time after a default by Grantor, Beneficiary shall have the following rights and remedies, all of such rights and remedies, together with the rights and remedies set forth in the previous sentence, shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies: (a) Beneficiary may apply to any court of competent jurisdiction for, and obtain appointment of, a receiver for the Property; (b) Beneficiary may exercise any or all of the remedies granted to a secured party under the Uniform Commercial Code; (c) Beneficiary may choose, in its sole and absolute discretion, to dispose of some or all of the Property, in any combination consisting of both real and personal property, together in one sale to be held in accordance with the law and procedures applicable to real property, as permitted by Section 9-604 of the Uniform Commercial Code, and Grantor agrees that such a sale of personal property together with real property constitutes a commercially reasonable sale of the personal property; and/or (d) Beneficiary may exercise any other right or remedy which is set forth in this Deed of Trust or any other Loan Document or which is otherwise available at law or in equity. Upon default by Grantor, Beneficiary may, by delivery to Trustee of written notice of declaration of default and demand for sale, cause to be filed of record a written notice of default and election to sell the Property. If required by Trustee, Beneficiary shall also deposit with Trustee the Deed of Trust and Note or other Loan Documents or other agreements and such documents as required by Trustee evidencing expenditures or advances secured hereby. Trustee, upon presentation to it of an affidavit signed by Beneficiary setting forth facts showing a default by Grantor under any Paragraph or provision contained in this Deed of Trust, is authorized to accept as true and conclusive the facts and statements therein and to act thereon hereunder without any independent investigation or further inquiry by Trustee. Grantor hereby agrees to be bound thereby. After the lapse of such time as there may be required by law following recordation of such notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Grantor, shall sell the Property either as a whole or in separate parcels, and in such order as it or Beneficiary may determine (but subject to any statutory right of Grantor 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 for cash in lawful money of the United States. The person conducting the sale may, for any cause deemed expedient, postpone the sale from time to time until it shall be completed. The postponement

shall be, and notice of the postponement shall be given, as then required by law. Trustee shall deliver to such purchaser its deed conveying the Property so sold, but without any covenants or warranty, express or implied. The recital in such deed of any matters of fact or otherwise shall be conclusive proof of truthfulness thereof. Any person, including Grantor, Trustee or Beneficiary may purchase at such sale. Trustee shall apply the proceeds of the sale as follows: *FIRST*: To the costs and expenses of exercising the power of sale and of the sale, including the payment of the trustee's and attorney's fees actually incurred not to exceed the amount which may be provided for in the trust deed; *SECOND*: To payment of the obligations secured by the trust deed; and *THIRD*: To the balance, if any, to the person or person's legally entitled to the proceeds, or the trustee, in the trustee's discretion, may deposit the balance of the proceeds with the clerk of the district court of the county in which the sale took place, in accordance with *Utah Code Annotated* § 57-1-29. Upon any sale made under or by virtue of this Paragraph, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Beneficiary may bid for and acquire the Property, whether by payment of cash or by credit bid in accordance with *Utah Code Annotated* § 57-1-28(1)(b). In the event of a successful credit bid, Beneficiary shall make settlement for the purchase price by crediting upon the obligations of Grantor secured by this Deed of Trust such credit bid amount. Beneficiary, upon so acquiring the Property or any part thereof, shall be entitled to hold, lease, rent, operate, manage, and sell the same in any manner provided by applicable laws. For purposes of *Utah Code Annotated* § 57-1-28, Grantor agrees that all default interest, late charges, any prepayment premium, swap contract breakage fees and similar amounts, if any, owing from time to time under the Note shall constitute a part of and be entitled to the benefits of Beneficiary's Deed of Trust lien upon the Property, and Beneficiary may add all default interest, late charges, any prepayment premium, swap contract breakage fees and similar amounts owing from time to time under the Note to the principal balance of the Note, and in either case Beneficiary may include the amount of all unpaid late charges in any credit bid Beneficiary may make at a foreclosure sale of the Property pursuant to this Deed of Trust. Trustee first shall apply the proceeds of sale to payments of all sums expended under the terms hereof not then repaid, with accrued interest at the rate then payable under the Note or other obligations secured hereby, then to payment of all other sums secured hereby in such order as Beneficiary may direct, and if thereafter there be any proceeds remaining, distribute them to the person or persons legally entitled thereto. Grantor and all persons dealing with the Property through or under Grantor and their successors and assigns, including, without limitation all subsequent purchasers of all or any portion of the Property and all persons holding or obtaining an interest in the Property which is junior and subordinate to this Deed of Trust, by taking and accepting their respective conveyances, encumbrances, security interests, deeds of trust, or liens do hereby acknowledge, covenant and agree with Beneficiary that (i) in the event of any default in the repayment of the Secured Indebtedness, or in the event of any default under the terms of this Deed of Trust, or under any other deed of trust or security agreement securing the same indebtedness as is secured by this Deed of Trust, whether directly or by virtue of a cross-collateralization agreement or under any other Loan Document, Beneficiary may proceed to seek foreclosure or any other relief available at law or in equity in any order which Beneficiary may determine, in Beneficiary's sole discretion, and Beneficiary may proceed against any property or collateral securing said indebtedness in any order which Beneficiary elects without regard to any matters which could or might be raised by any subsequent purchaser or by any junior lienor or encumbrance under those certain equitable doctrines known as the doctrine of "marshalling of

assets” and the doctrine of “inverse order of alienation”, (ii) they will not assert, and they do hereby waive any right to assert, the doctrine of marshalling of assets or any similar equitable doctrines, and (iii) they will not assert, and they do hereby waive any right to assert, the doctrine of inverse order of alienation or any similar equitable doctrines.

Grantor and all persons dealing with the Property through or under Grantor and their successors and assigns, including, without limitation all subsequent purchasers of all or any portion of the Property and all persons holding or obtaining an interest in the Property which is junior and subordinate to this Deed of Trust, by taking and accepting their respective conveyances, encumbrances, security interests, deeds of trust, or liens do hereby acknowledge, covenant and agree with Beneficiary that (i) in the event of any default in the repayment of the Secured Indebtedness, or in the event of any default under the terms of this Deed of Trust, or under any other deed of trust or security agreement securing the same indebtedness as is secured by this Deed of Trust, whether directly or by virtue of a cross-collateralization agreement or under any other Loan Document, Beneficiary may proceed to seek foreclosure or any other relief available at law or in equity in any order which Beneficiary may determine, in Beneficiary’s sole discretion, and Beneficiary may proceed against any property or collateral securing said indebtedness in any order which Beneficiary elects without regard to any matters which could or might be raised by any subsequent purchaser or by any junior lienor or encumbrance under those certain equitable doctrines known as the doctrine of “marshalling of assets” and the doctrine of “inverse order of alienation”, (ii) they will not assert, and they do hereby waive any right to assert, the doctrine of marshalling of assets or any similar equitable doctrines, and (iii) they will not assert, and they do hereby waive any right to assert, the doctrine of inverse order of alienation or any similar equitable doctrines.

Grantor agrees to pay any deficiency arising from any cause, to which Beneficiary may be entitled after applications of the proceeds of any sale, any Beneficiary may commence suit to collect such deficiency in accordance with *Utah Code Annotated* § 57-1-32 or other applicable law. If Grantor, Grantor’s successor interest or any other person having a subordinate lien or encumbrance of record on the Property, reinstates this Deed of Trust and the Loan with three (3) months of the recordation of a notice of default in accordance with *Utah Code Annotated* § 57-1-31(1), such party shall pay to Beneficiary the reasonable cancellation fee contemplated by *Utah Code Annotated* § 57-1-31(2), as delivered by Beneficiary, in accordance with its then current policies and procedures, whereupon Trustee shall record a notice of cancellation of the pending sale. Grantor knowingly waives, to the fullest extent permitted by applicable law, the rights, protections and benefits afforded to Grantor under *Utah Code Annotated* §§ 78-37-1 and 57-1-32 and any successor or replacement statute or any similar laws or benefits.

In the event of any amendment to the provisions of *Utah Code Annotated* Title 57 or other provisions of *Utah Code Annotated* referenced in this Deed of Trust, this Deed of Trust shall, at the sole election of Beneficiary, be deemed amended to be consistent with such amendments or Beneficiary may elect not to give effect to such deemed amendments hereto if permitted by applicable law.

18. NO WAIVER OR MODIFICATION UNLESS IN WRITING. No modification or waiver by Beneficiary of any right under this Deed of Trust shall be effective unless in writing. Waiver by Beneficiary of any right granted to Beneficiary under this Deed of

Trust or under any provision of this Deed of Trust as to any transaction or occurrence shall not be deemed a waiver as to any future transaction or occurrence. By accepting payment of any sum secured hereby after its due date, or by making any payment or performing any act on behalf of Grantor that Grantor was obligated hereunder but failed to make or perform, or by adding any payment so made by Beneficiary to the Secured Indebtedness, or by exercising Beneficiary's rights to receive and collect the Rents and Profits therefrom, Beneficiary does not waive its right to require prompt payment when due of all sums so secured or to require prompt performance of all acts required hereunder, or to declare a default for failure so to pay or perform.

19. **REMEDIES.** No remedy herein provided shall be exclusive of any other remedy herein, or now or hereafter existing by law or in equity, but shall be cumulative. Every power or remedy hereby given to Trustee or to Beneficiary or to which either of them may be otherwise entitled, may be exercised from time to time and as often as may be deemed expedient by them, and either of them may pursue separate remedies. If Beneficiary holds any additional security for any obligation secured hereby, it may enforce the sale thereof at its option, either before, contemporaneously with, or after the sale is made hereunder, and on any default of Grantor, Beneficiary may, at its option, offset against any indebtedness owing by it to Grantor, the whole or any part of the Secured Indebtedness, and Beneficiary is hereby authorized and empowered, at its option, without any obligation so to do, and without affecting the obligations hereof, to apply toward the payment of any Secured Indebtedness and of Grantor to Beneficiary, any and all sums of money which Beneficiary may have in its possession or under its control, including, without limiting the generality of the foregoing, the indebtedness evidenced by an investment certificate or any escrow or trust funds. In order to assure the definiteness and certainty of the rights and obligations herein provided, Grantor waives any and all rights of offset of claims and no offset shall relieve Grantor from paying installments on the obligations secured hereby as they become due.

20. **GENERAL PROVISIONS.** (a) As and when used this Deed of Trust, the term "**Grantor**" shall mean and include Grantor above-named, any other co-maker of the Note and their respective successors and permitted assigns and the term "**Beneficiary**" shall mean and include Beneficiary hereinabove named and its successors and assigns; (b) wherever the context so requires, the masculine gender includes the feminine and neuter, the singular number includes the plural and vice-versa; (c) captions and Paragraph headings used herein are for convenience only, are not a part of this Deed of Trust, and shall not be used in construing it; (d) Beneficiary shall have the right at any time and from time to time to provide any information it has in its possession relating to Grantor, or any guarantor of the Loan, or any other person or entity now or hereafter liable with respect to the Loan, or the Property to any party interested in acquiring all or any part of the Loan or any interest therein; (e) in exercising any right or remedy or taking any action provided herein, Beneficiary may act through its employees, agents, counsel, or independent contractors, as authorized by Beneficiary; (f) as and when used herein, the word "including" shall be deemed to mean "including without limitation"; and (g) if more than one person is named as Grantor, each obligation of Grantor hereunder shall be the joint and several obligation of each such person. Without limiting the foregoing, in the event that Grantor is a partnership, each general partner thereof shall be deemed to have agreed, by its execution of this Deed of Trust, that such partner is jointly and severally liable with Grantor for the performance of each and every obligation of Grantor under this Deed of Trust and the other Loan Documents and that Beneficiary shall not be required to exhaust the assets of Grantor in enforcing any

monetary obligation of Grantor to Beneficiary prior to proceeding against the assets of such general partner. The foregoing agreement shall constitute a separate obligation of each general partner.

21. **FURTHER ASSURANCES.** At any time and from time to time, upon Beneficiary's request, Grantor shall make, execute and deliver, or cause to be made, executed and delivered, to Beneficiary and where appropriate shall cause to be recorded or filed, and from time to time thereafter to be re-recorded and refiled at such time and in such offices and places as shall be deemed desirable by Beneficiary, any and all such further deeds of trust, instruments of further assurance, certificates, agreements and other documents as Beneficiary may consider necessary or desirable in order to effectuate, complete or perfect, or to continue and preserve the obligations of Grantor under the Note, this Deed of Trust or any other Loan Document and the lien of this Deed of Trust or any other lien upon or security interest in all of the Property or any other property securing the indebtedness evidenced by the Note, whether now owned or hereafter acquired by Grantor and unto all and every person or persons deriving any estate, right, title or interest under this Deed of Trust or the power of sale herein contained. Upon any failure by Grantor to do so, Grantor hereby authorizes Beneficiary to make, execute, record, file, re-record or refile any and all such deeds of trust, instruments, certificates and documents for and in the name of Grantor, and Grantor hereby irrevocably appoints Beneficiary the agent and attorney-in-fact of Grantor to do so.

22. **GOVERNING LAW; SEVERABILITY.** This Deed of Trust shall be governed by and construed and enforced in accordance with the laws of the United States of America and any rules, regulations or orders issued or promulgated thereunder applicable to the affairs of, or transactions entered into, by Beneficiary as a national banking association; and this Deed of Trust shall, to the extent not covered thereby, otherwise be governed by, and construed and enforced in accordance with, the laws of the state where the Property is located without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than such state. In the event that any provision or clause of this Deed of Trust, the Note or any other Loan Document is construed by a court of competent jurisdiction to be void, invalid or unenforceable, such construction shall not affect other provisions of this Deed of Trust or the Note or the other Loan Documents which can be given effect without the void, invalid or unenforceable provision, and to this end the provisions of this Deed of Trust, the Note and all other Loan Documents are declared to be severable.

23. **NOTICES.** Except for any notice required by applicable law to be given in another manner, all notices provided pursuant to the Note, this Deed of Trust or any other Loan Document shall be in writing and shall be deemed to have been duly given if sent by United States certified mail, with return receipt requested, postage prepaid, or by United States Express Mail or other comparable overnight courier service to the parties at the address set forth herein or such other address as the recipient party may have designated by notice given in the manner specified above. Each such notice shall be deemed received upon the earlier of (i) when given or received in the manner prescribed by applicable law, (ii) when received in person by the recipient party or (iii) two calendar days following the mailing of such notice, certified mail, postage prepaid, return receipt requested to the address set forth herein.

24. **LOST INSTRUMENTS.** In the event that following execution, the Note, Deed of Trust, or any other Loan Document should be lost, destroyed or mutilated, Grantor agrees to execute another original of such Note, Deed of Trust or Loan Document.

25. **POWER OF TRUSTEE TO RECONVEY OR CONSENT.** Without affecting the liability of any person, including Grantor, for the payment of the Secured Indebtedness, including such indebtedness as may be due at the time of or after full reconveyance, or the lien of this Deed of Trust upon any remainder of the Property for the full amount of the Secured Indebtedness, or the rights or powers of Beneficiary or Trustee with respect to the remainder of the Property (other than any person or property specifically released by Beneficiary), Beneficiary or Trustee (if so requested by Beneficiary, from time to time, without liability therefor, and without notice to Grantor, upon written request of Beneficiary and presentation of this Deed of Trust and the Note or other agreement secured hereby, together with payment for any reasonable fees of Trustee therefor), may do any one or more of the following: (1) release any indebtedness; (2) extend the time or otherwise alter the terms of payment of such indebtedness; (3) accept additional security; (4) substitute or release any property securing such indebtedness; (5) reconvey all or any part of such property; (6) consent to the making of any map or plat thereof; (7) join in granting any easement thereon; or (8) join in any extension agreement or any agreement subordinating or otherwise affecting the lien or charge hereof. Any reconveyance by Trustee shall be made without warranty. The recitals in any reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyances may be described as "the person or persons legally entitled thereto". A full reconveyance of this Deed of Trust shall operate as a re-assignment of the Leases and the Rents and Profits assigned herein to Beneficiary.

26. **SUBSTITUTION OF TRUSTEE.** Beneficiary may, from time to time, by an instrument in writing, substitute a successor or successors to any trustee named herein or acting hereunder, which instrument, executed and acknowledged by Beneficiary and recorded in the office of the recorder of the county or counties where the Property is situated, shall be conclusive proof of proper substitution of such successor trustee or trustees, who shall, without conveyances from the trustee predecessor, succeed in all its title, estate, rights, powers and duties. Such instrument shall contain the name and address of the new trustee. The procedure herein provided for substitution of trustees shall not be exclusive of other provisions for substitution provided by law.

27. **RECONVEYANCE.** Upon payment of all sums secured by this Deed of Trust, including, but not limited to any prepayment premiums or fees due and payable under the Note, Beneficiary shall request Trustee to reconvey the Property and shall surrender this Deed of Trust and all notes evidencing the Secured Indebtedness to Trustee. Trustee shall release the Property without warranty for the benefit of the person or persons legally entitled thereto. Such person or persons shall pay all reasonable costs of Trustee authorized by any law for so reconveying the Property.

28. **ENVIRONMENTAL DEFINITIONS.**

"Beneficiary's Environmental Liability" means any losses, liabilities, obligations, penalties, claims, litigation demands, defenses, costs, judgments, suits, proceedings,

damages (including consequential damages), disbursements or expenses of any kind or nature whatsoever (including reasonable attorneys' fees at trial and appellate levels and experts' fees and disbursements and expenses incurred in investigating, defending against or prosecuting any litigation, claim or proceeding) which may at any time be imposed upon, incurred by or asserted or awarded against Beneficiary in connection with or arising from: (a) any Hazardous Material, on, in, under or affecting all or any portion of the Property, the groundwater, or any surrounding areas; (b) any misrepresentation, inaccuracy or breach of any warranty, covenant or agreement contained or referred to herein; (c) any violation or claim of violation relating to or affecting the Property by Indemnitor or any third party of any Environmental Laws; (d) the imposition of any lien for damages caused by or the recovery of any costs for the cleanup, release or threatened release of Hazardous Material; (e) any claim by Indemnitor against Beneficiary under CERCLA or any state equivalent, or any similar law now existing or hereafter enacted; or (f) any actions taken by Beneficiary (i) to enter and inspect the property and (ii) to appoint a receiver upon ex parte application without notice to Grantor, as a matter of right and without regard to the value of the collateral or the adequacy of any security for the indebtedness.

“Environmental Laws” means all federal, state and local laws (including all statutes, regulations, ordinances, codes, rules and other governmental restrictions, requirements and powers) now or hereafter in effect relating to the discharge of air pollutants, water pollutants or process waste water or otherwise relating to the environment or Hazardous Materials (as any or all such laws may be amended from time to time), including but not limited to the following: (a) the Solid Waste Disposal Act, 42 U.S.C. § 9601 et seq.; (b) the Comprehensive Environmental Response, Compensation and Liability Act of 1976, 42 U.S.C. § 9601 et seq.; (c) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by SARA, 42 U.S.C. § 1820 et seq.; (d) the Hazardous Materials Transportation Act, 49 U.S.C. § 1810 et seq.; (e) the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; (f) the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 9601 et seq.; (g) the Clean Water Act, 33 U.S.C. § 1251 et seq.; (h) the Clean Air Act, 42 U.S.C. § 7412 et seq.; (i) the regulations of the Environmental Protection Agency; (j) the regulations of the Nuclear Regulatory Agency; and (k) any related or similar statutes, ordinances or resolutions of the State of Utah or any other governmental entity.

“Hazardous Material” means: (a) any substances defined as “hazardous substances,” “pollutants,” “contaminants,” “hazardous materials,” “hazardous wastes,” or “hazardous or toxic substances” or related materials as now or hereafter defined in any Environmental Law, (b) those substances listed or otherwise identified as substances of the type referred to in the preceding subsection (a) in the regulations adopted and issued pursuant to any Environmental Law, as the same may be amended, modified or supplemented; (c) any friable asbestos, airborne asbestos in excess of that generally found in the atmosphere, respectively, where the Property is located, or any substance or material containing asbestos, excluding any such materials located on the Property prior to the date hereof so long as such materials are contained, maintained, abated, or removed in compliance with all applicable Environmental Laws; and (d) any substance the presence of which on the Property is prohibited by any applicable Environmental Law; provided that Hazardous Material shall not include any such substances used in or resulting from the ordinary operation of a general primary education facility or for the cleaning of the Property; provided that such substances are stored, handled and

disposed of in compliance with all applicable Environmental Laws and other applicable laws and regulations.

“Remedial Work” means all investigation, testing, analysis, monitoring, restoration, abatement, detoxification, containment, handling, treatment, removal, storage, decontamination, clean-up, transport, disposal or other ameliorative work or response action required by (i) any Environmental Laws (as hereinafter defined), (ii) any order or request of any federal, state or local governmental agency, or (iii) any judgment, consent decree, settlement or compromise with respect to any and all enforcement, clean-up, removal, remedial or other governmental or regulatory actions or agreements or orders threatened, instituted, or completed pursuant to any Environmental Laws, or any actions, proceedings or claims by such entities or third parties relating to or arising out of the breach of any Environmental Laws or the presence of any Hazardous Material on, under or near the Property (collectively **“Claim”**).

29. ENVIRONMENTAL REPRESENTATIONS, WARRANTIES AND COVENANTS. Grantor (also referred to herein as **“Indemnitor”**) represents, covenants and warrants that as of the date hereof to the best knowledge of a responsible officer/member of Grantor who is in a position to have such knowledge, and at all times hereafter during the term hereof:

(a) Compliance. The Property (including underlying groundwater and areas leased to tenants, if any), and the use and operation thereof, from and after the date of this Deed of Trust will be in compliance with all Environmental Laws. All Hazardous Materials generated or handled on the Property from and after the date of this Deed of Trust will be stored and disposed of in a lawful manner. The Indemnitor will satisfy all requirements of applicable Environmental Laws for the maintenance and removal of all underground storage tanks on the Property, if any. Without limiting the foregoing, all Hazardous Material shall be handled in compliance with all applicable Environmental Laws.

(b) Absence of Hazardous Materials. No generation, manufacture, storage, use, handling, treatment, transportation or disposal of Hazardous Material has occurred as a result of the presence or disposal of Hazardous Materials or is occurring on or from the Property. No Hazardous Material shall be introduced to or handled on the Property without thirty (30) days’ prior written notice to and approval by Beneficiary. No environmental or public health or safety hazards currently exist as a result of the presence or disposal of Hazardous Materials with respect to the Property or the business or operations conducted thereon. No underground storage tanks (including petroleum storage tanks) have ever been or are present on or under the Property.

(c) Absence Of Water Intrusion. All structures on the Property currently are, and Grantor shall continue to maintain all structures on the Property: (i) free of any liquid water and/or water vapor intrusion into the structures in amounts that could support the growth of fungus and/or mold inside the structures and (ii) free of any sites of growing fungus and/or mold inside the structures.

(d) Proceedings And Actions. There have been no past, and there are no pending or threatened: (i) actions or proceedings by any governmental agency or any other entity regarding public health risks or the environmental condition of the Property, or the disposal or presence of Hazardous Materials, or regarding any Environmental Laws; or (ii) liens or governmental actions, notices of violations, notice of noncompliance or other proceedings of any kind relating to Hazardous Materials or Environmental Laws that could impair the value of the Property, or the priority of Beneficiary's mortgage lien. The Indemnitor shall immediately notify Beneficiary and provide copies upon receipt of all written complaints, claims, citations, demands, inquiries, reports or notices relating to the condition of the Property or compliance with Environmental Laws. Indemnitor shall promptly cure and have dismissed with prejudice any such actions and proceedings to the satisfaction of Beneficiary. Indemnitor shall keep the Property free of any lien imposed pursuant to any Environmental Laws.

(e) Environmental Audit. Indemnitor shall provide such information and certifications, which Beneficiary may reasonably request from time to time to ensure Indemnitor's compliance with Grantor's obligations under all provisions of this Deed of Trust. To investigate Indemnitor's compliance with Environmental Laws and with this Deed of Trust, Beneficiary shall have the right, but no obligation, at any time and from time to time to enter upon the Property, take samples, review books and records of Indemnitor, interview the employees and officers of Indemnitor, and conduct similar activities. Indemnitor shall cooperate in the conduct of such an audit.

No inspection or failure to inspect the Property by Beneficiary shall impose any liability upon Beneficiary for the discovery, failure to discover, evaluation, or remediation of any Hazardous Material that may exist on or affecting the Property. Beneficiary shall not be liable or responsible for any loss, damage, injury or liability to the Property or to any persons or property thereon arising from any entry or inspection by Beneficiary pursuant to this Paragraph 29, except only for any loss, damage, injury or liability which is caused solely by the gross negligence of Beneficiary (which for purposes of this Deed of Trust shall mean an action taken by Beneficiary with reckless disregard of the consequences thereof), provided that in no event shall Beneficiary be liable under any circumstances for any consequential damages suffered by Grantor or any other person or entity.

Beneficiary is entitled to rely upon Indemnitor's representations and warranties contained herein despite any independent investigations by Beneficiary or its consultants. Indemnitor shall take reasonable actions to determine for itself, and to remain aware of, the environmental condition of the Property and shall have no right to rely upon any environmental investigations or findings made by Beneficiary or its consultants.

30. REMEDIAL WORK. As soon as possible, but no later than sixty (60) days after receipt by Indemnitor of any Claim, Indemnitor shall perform or cause others qualified to do so to commence and/or perform any and all necessary Remedial Work in response to any Claim. Subject to the terms of any leases and applicable laws, in response to Indemnitor's knowledge of the presence of any Hazardous Material on or under the Property or real property immediately adjacent to the Property, Indemnitor shall immediately perform or cause tenants to immediately perform all Remedial Work. All Remedial Work shall be performed by contractors approved by

Beneficiary and in accordance with all applicable Environmental Laws and any other applicable laws, rules, regulations, or orders. All costs and expenses of any Remedial Work shall be paid by Indemnitor, it being understood that Beneficiary shall incur no cost, expense or liability in connection with any Remedial Work. Beneficiary shall have the right, but no obligation, to join and participate in, as a party if it so elects at Beneficiary's cost, any legal proceedings or actions initiated in connection with any Hazardous Material Claims, provided, however, Indemnitor shall reimburse Beneficiary for its attorneys' fees and costs incurred if such participation is deemed reasonably necessary by Beneficiary to protect its security interest in the Property.

31. **ENVIRONMENTAL INDEMNIFICATION.**

(a) Indemnify And Defend. Indemnitor agrees to indemnify, defend (at trial and appellate levels and with counsel acceptable to Beneficiary and at Indemnitor's sole cost) and hold Beneficiary free and harmless from and against Beneficiary's Environmental Liability. The indemnification provided for in this paragraph shall specifically apply to and include any Beneficiary's Environmental Liability in connection with the exercise of Beneficiary's rights (a) to enter and inspect the Property, without limitation, the cost of repair of any physical injury to the Property caused by such entry and inspection, (b) to obtain the appointment of a receiver upon ex parte application without notice to Grantor, as a matter of right and without regard to the value of the collateral or the adequacy of any security for the indebtedness; (c) to determine the value of the Property and to establish the degree to which the Property may be environmentally impaired, and (d) to commence an action.

It is expressly understood and agreed that to the extent that Beneficiary is strictly liable under any Environmental Laws, the Indemnitor's obligation to Beneficiary under this indemnity shall likewise be without regard to fault on the part of the Indemnitor with respect to the violation or condition which results in liability to Beneficiary.

All costs and expenses, including, but not limited to, attorneys' fees, incurred by Beneficiary in connection with any action commenced under this Deed of Trust to determine the degree to which the Property is environmentally impaired, plus interest thereon at the rate specified in the Note until paid, shall be added to the Secured Indebtedness and shall be due and payable to Beneficiary upon its demand.

(b) Survival. Any termination of the lien of this Deed of Trust shall not terminate or otherwise affect Indemnitor's obligations hereunder and Indemnitor's obligations hereunder shall survive (i) any foreclosure, deed in lieu of foreclosure, cancellation or release this Deed of Trust, (ii) any sale or other transfer of the Property by either Indemnitor or Beneficiary, and (iii) repayment of the Loan. The rights of Beneficiary under the environmental provisions in this Deed of Trust shall be in addition to any other rights and remedies of Beneficiary against Indemnitor under any other document or instrument now or hereafter executed by Indemnitor, or at law or in equity (including, without limitation, any right of reimbursement or contribution pursuant to CERCLA), and shall not in any way be deemed a waiver of any of such rights. The obligations of Indemnitor hereunder shall be personal to each Indemnitor and their

respective representatives, administrators, executors, successors and assigns, and shall not run, and shall not be deemed to run, with the Property.

Notwithstanding anything to the contrary in this Deed of Trust, any indemnification amount owing to Beneficiary pursuant to this Paragraph 31 shall not be secured by the Property.

32. **NO IMPAIRMENT OF SECURITY.** The lien, security interest and other security rights of Beneficiary hereunder or under any other Loan Document shall not be impaired by any indulgence, moratorium or release granted by Beneficiary including, but not limited to, any renewal, extension or modification which Beneficiary may grant with respect to any Secured Indebtedness, or any surrender, compromise, release, renewal, extension, exchange or substitution which Beneficiary may grant in respect of the Property, or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any Secured Indebtedness. The taking of additional security by Beneficiary shall not release or impair the lien, security interest or other security rights of Beneficiary hereunder or affect the liability of Grantor or of any endorser, guarantor or surety, or improve the right of any junior lienholder in the Property (without implying hereby Beneficiary's consent to any junior lien).

33. **ACTS NOT CONSTITUTING WAIVER BY BENEFICIARY.** Beneficiary may waive any default without waiving any other prior or subsequent default. Beneficiary may remedy any default without waiving the default remedied. Neither failure by Beneficiary to exercise, nor delay by Beneficiary in exercising, nor discontinuance of the exercise of any right, power or remedy (including but not limited to the right to accelerate the maturity of the Secured Indebtedness or any part thereof) upon or after any default shall be construed as a waiver of such default or as a waiver of the right to exercise any such right, power or remedy at a later date. No single or partial exercise by Beneficiary of any right, power or remedy hereunder shall exhaust the same or shall preclude any other or further exercise thereof, and every such right, power or remedy hereunder may be exercised at any time and from time to time. No modification or waiver of any provision hereof nor consent to any departure by Grantor therefrom shall in any event be effective unless the same shall be in writing and signed by Beneficiary and then such waiver or consent shall be effective only in the specific instance, for the purpose for which given and to the extent therein specified. No notice to nor demand on Grantor in any case shall of itself entitle Grantor to any other or further notice or demand in similar or other circumstances. Remittances in payment of any part of the Secured Indebtedness other than in the required amount in immediately available U.S. funds shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Beneficiary in immediately available U.S. funds and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Beneficiary of any payment in an amount less than the amount then due on any Secured Indebtedness shall be deemed an acceptance on account only and shall not in any way excuse the existence of a default hereunder notwithstanding any notation on or accompanying such partial payment to the contrary.

34. **GRANTOR'S SUCCESSOR.** If the ownership of the Property or any part thereof becomes vested in a person other than Grantor, Beneficiary may, without notice to Grantor, deal with such successor or successors in interest with reference to this Deed of Trust and to the Secured Indebtedness in the same manner as with Grantor, without in any way

vitiating or discharging Grantor's liability hereunder or for the payment of the indebtedness or performance of the obligations secured hereby. No transfer of the Property, no forbearance on the part of Beneficiary, and no extension of the time for the payment of the Secured Indebtedness given by Beneficiary shall operate to release, discharge, modify, change or affect, in whole or in part, the liability of Grantor hereunder for the payment of the indebtedness or performance of the obligations secured hereby or the liability of any other person hereunder for the payment of the Secured Indebtedness. The Grantor agrees that it shall be bound by any modification of this Deed of Trust or any of the other Loan Documents made by Beneficiary and any subsequent owner of the Property, with or without notice to such Grantor, and no such modifications shall impair the obligations of such Grantor under this Deed of Trust or any other Loan Document. Nothing in this Section or elsewhere in this Deed of Trust shall be construed to imply Beneficiary's consent to any transfer of the Property.

35. **NO PARTNERSHIP.** The relationship between Beneficiary and Grantor is solely that of lender and Grantor. Beneficiary has no fiduciary or other special relationship with Grantor. Nothing contained in the Loan Documents is intended to create any partnership, joint venture, association or special relationship between Grantor and Beneficiary or in any way make Beneficiary a co-principal with Grantor with reference to the Property. All agreed contractual duties between or among Beneficiary, Grantor and Trustee are set forth herein and in the other Loan Documents and any additional implied covenants or duties are hereby disclaimed. Any inferences to the contrary of any of the foregoing are hereby expressly negated.

36. **FINAL AGREEMENT.** The Note, this Deed of Trust, the Loan Agreement and the other Loan Documents collectively represent the final agreements between Beneficiary and Grantor and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten agreements between Beneficiary and Grantor. In the event of any material conflict between any provision of this Deed of Trust and the Loan Agreement, the provisions of the Loan Agreement shall control.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Grantor has executed this Deed of Trust effective as of the day first above written.

GRANTOR:

Paradigm High School, a Utah nonprofit corporation

By: Brenda Petru
Brenda Petru, Board Chair

STATE OF UTAH)
COUNTY OF SALT LAKE) ss.

The foregoing instrument was acknowledged before me this 15TH day of September, 2025, by Brenda Petru, Board Chair of Paradigm High School..

WITNESS my hand and official seal.

Michael P Chabries
Notary Public

[SEAL]

My commission expires 8-27-2027

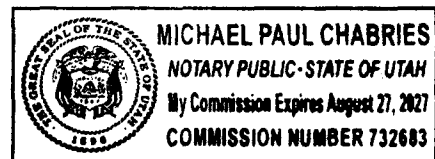


EXHIBIT A

PROPERTY DESCRIPTION

EXHIBIT A PROPERTY DESCRIPTION

PARCEL 1:

Beginning at a point on the East line of 3600 West Street, said point being South 00°00'42" West 1014.76 feet along the section line and South 89°48'16" East 33.00 feet from the center of Section 20, Township 3 South, Range 1 West, Salt Lake Base and Meridian and running thence South 89°48'16" East 628.05 feet; thence South 00°00'32" West 361.47 feet to a point on the North line of South Jordan Estates Phase I, as found on file at the Salt Lake County Recorder's office in Book 95-12P at Page 355; thence North 89°48'16" West 446.42 feet along the North line of South Jordan Estates Phase I; thence North 00°00'40" East 51.07 feet; thence North 89°48'16" West 181.65 feet to a point on the East line of said 3600 West Street; thence North 00°00'42" East 310.39 feet along the East line of said 3600 West Street to the point of beginning.

PARCEL 2:

Beginning at a point South 00°00'42" West 686.89 feet and South 89°46'32" East 33.00 feet and South 00°00'42" West 101.15 feet from the Center of Section 20, Township 3 South, Range 1 West, Salt Lake Base and Meridian; and running thence South 89°47'24" East 315.48 feet; thence South 00°00'42" West 101.07 feet; thence North 89°48'16" West 315.48 feet; thence North 00°00'42" East 101.15 feet to the point of beginning.

LESS AND EXCEPTING therefrom that portion lying within the bounds of the land conveyed in that Special Warranty Deed recorded October 19, 2016 as Entry No. 12392575 in Book 10489 at Page 5867 in the Salt Lake County Recorder's office, being more particularly described as follows:

3600 West dedication legal: Beginning at a point South 0°00'42" West 686.89 feet and South 89°46'32" East 33.00 feet and South 0°00'42" West 101.16 feet from the Center of Section 20, Township 3 South, Range 1 West, Salt Lake Base and Meridian; thence South 89°47'24" East, a distance of 2.65 feet; thence South 00°00'42" West, a distance of 226.69 feet; thence North 89°48'16" West, a distance of 2.65 feet; thence North 00°00'42" East, a distance of 226.69 feet to the point of beginning.

PARCEL 3:

Beginning at a point on the center of section line said point being South 00°00'42" West 889.207 feet from the center of Section 20, Township 3 South, Range 1 West, Salt Lake Base and Meridian, Salt Lake County, Utah, and running thence South 89°48'16" East 348.48 feet; thence South 00°00'42" West 125.00 feet; thence North 89°48'16" West 348.48 feet; thence North 00°00'42" East 125.00 feet to the point of beginning.

EXCEPTING THEREFROM any portion lying within the 3600 West Street.

ALSO LESS AND EXCEPTING THEREFROM the land conveyed in that certain Warranty Deed recorded February 24, 2006 as Entry No. 9646051 in Book 9259 at Page 1978 in the Salt Lake County Recorder's office, being more particularly described as follows:

A part of the Southeast quarter of Section 20, Township 3 South, Range 1 West, Salt Lake Base and Meridian, U.S. Survey in South Jordan, Salt Lake County, Utah:

Beginning at a point on the Easterly line of the original asphalt pavement along 3600 West Street being 889.207 feet South 00°00'42" West along the quarter section line; and 9.64 feet South 89°48'16" East from the center of said Section 20; and running thence South 89°48'16" East 23.36 feet along the North line of Grantor's Property; thence South 00°00'42" West 125.00 feet along a line parallel to and being 33.00 feet perpendicularly distant Easterly from the quarter section line to the South line of Grantor's Property; thence North 89°48'16" West 26.26 feet along said South line to a point on the Easterly line of the original asphalt pavement along 3600 West Street; thence along said Easterly line the following four courses: North 00°00'49" West 88.09 feet; North 23°35'32" East 8.33 feet; North 00°31'48" East 26.23 feet; and North 11°39'52" West 3.11 feet to the point of beginning.

ALSO LESS AND EXCEPTING THEREFROM that portion lying within the bounds of the land conveyed in that certain Special Warranty Deed recorded October 19, 2016 as Entry No. 12392575 in Book 10489 at Page 5867 in the Salt Lake County Recorder's office, being more particularly described as follows:

Beginning at a point South 0°00'42" West 686.89 feet and South 89°46'32" East 33.00 feet and South 0°00'42" West 101.16 feet from the Center of Section 20, Township 3 South, Range 1 West, Salt Lake Base and Meridian thence South 89°47'24" East, a distance of 2.65 feet; thence South 00°00'42" West, a distance of 226.69 feet; thence North 89°48'16" West, a distance of 2.65 feet; thence North 00°00'42" East, a distance of 226.69 feet to the point of beginning.

Tax Id No.: 27-20-401-007, 27-20-401-039 and 27-20-401-040

EXHIBIT B

PERMITTED ENCUMBRANCES

Deed of Trust, Assignment of Rents and Leases, Security Agreement Fixture Filing to secure an indebtedness in the amount shown below, and any other obligations secured thereby: Trustor: Paradigm High School, a Utah nonprofit corporation; Trustee: U.S. Bank National Association; Beneficiary: Utah Charter School Finance Authority; Amount: \$8,370,000.00; Dated December 1, 2020; Recorded: December 7, 2020 as Entry No. 13486732 in Book 11075 at Page 3469.

The above stated Deed of Trust was assigned to U.S. Bank National Association, by instrument dated December 7, 2020 and recorded December 7, 2020 as Entry No. 13486739 in Book 11075 at Page 3533.

UCC Financing Statement by Paradigm High School, as Debtor, in favor of U.S. Bank National Association, as Secured Party, recorded December 7, 2020 as Entry No. 13486740 in Book 11075 at Page 3536.

UCC Financing Statement Amendment for Assignment recorded September 12, 2025 as Entry No. 14435304 in Book 11600 at Page 3530.

| UCC Financing Statement Amendment for Continuation recorded September 19th, 2025 as Entry No. 14438224 in Book 11601 at Page 9477.