

EXECUTION VERSION

PREPARED BY AND UPON
RECORDATION RETURN TO:

Paul Hastings LLP
200 Park Avenue
New York, New York 10166
Attention: Eric R. Landau, Esq.

ENT 3844:2023 PG 1 of 11
Andrea Allen
Utah County Recorder
2023 Jan 20 04:10 PM FEE 40.00 BY CS
RECORDED FOR Cottonwood Title Insurance Agency, Inc.
ELECTRONICALLY RECORDED

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GARDNER – VBP SF PROPERTY OWNER, LP,
as assignor
(Borrower)

To

SCHRODER TAFT-HARTLEY INCOME REIT, LLC,
as assignee
(Lender)

**ASSIGNMENT
OF LEASES AND RENTS**

Dated: January 20, 2023
Location: 100 North 1150 West, Spanish Fork, Utah
County: Utah County
Tax Parcel Numbers: 24-042-0021

ASSIGNMENT OF LEASES AND RENTS

This **ASSIGNMENT OF LEASES AND RENTS** (this “Assignment”) dated as of January 20, 2023, is made by **GARDNER – VBP SF PROPERTY OWNER, LP**, a Delaware limited partnership, having an address at 201 South Main Street, Suite 2000, Salt Lake City, Utah, 84111 (together with its permitted successors and permitted assigns, “**Borrower**”), to **SCHRODER TAFT-HARTLEY INCOME REIT, LLC**, a Delaware limited liability company, having an address at 7 Bryant Park, 1045 Avenue of Americas, New York, New York 10018, as assignee (together with its successors and assigns, “**Lender**”).

R E C I T A L S :

WHEREAS, Borrower is the owner of fee simple title to that certain parcel of real property described in **Exhibit A** attached hereto (the “**Land**”), together with all of the easements, rights, privileges, franchises, tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in any way appertaining and all of the estate, right, title, interest, claim and demand whatsoever of Borrower therein or thereto, either at law or in equity, in possession or in expectancy, now or hereafter acquired, together with the buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and other improvements now or hereafter located on the Land (collectively, the “**Property**”);

WHEREAS, Borrower and Lender have entered into that certain Loan Agreement, dated October 17, 2022 (as amended, modified, restated, consolidated or supplemented from time to time, the “**Loan Agreement**”), pursuant to which Lender made a secured loan to Borrower in the original principal amount of \$32,000,000.00 (the “**Loan**”);

WHEREAS, Borrower has executed the Note, which is secured by, *inter alia*, the Mortgage on the Property;

WHEREAS, it is a condition to the obligation of Lender to make the Future Acquisition Advance to Borrower pursuant to the Loan Agreement that Borrower execute and deliver this Assignment;

WHEREAS, this Assignment is being given as additional security for the Loan; and

WHEREAS, capitalized terms used in this Assignment without definition have the respective meanings assigned to such terms in the Loan Agreement or the Mortgage, as the case may be, the terms of each of which are specifically incorporated by reference herein.

NOW, THEREFORE, for good and valuable consideration, receipt of which by the parties hereto is hereby acknowledged, and additionally for the purpose of additionally securing the Indebtedness, Borrower hereby assigns, transfers, conveys and sets over unto Lender, all right, title and interest of Borrower in and to all Leases and all Rents.

TO HAVE AND TO HOLD the same unto Lender, and its successors and assigns forever, upon the terms and conditions and for the uses hereinafter set forth.

And Borrower hereby further agrees as follows:

1. Certain Representations, Warranties and Covenants. Borrower represents, warrants and covenants to Lender that:

(a) The payment of the Rents to accrue under any Lease will not be waived, released, reduced, discounted or otherwise discharged or compromised by Borrower except as otherwise expressly permitted under the Loan Agreement;

(b) Borrower has not performed, and will not perform, any acts, and has not executed, and will not execute, any instrument that would prevent Lender from exercising its rights under this Assignment; and

(c) If an Event of Default exists and is continuing, Borrower hereby authorizes and directs any tenant under any Leases and any successor to all or any part of the interests of any such tenant to, pay directly to the account or accounts as directed by Lender (the “**Lender Accounts**”), in accordance with the terms of the Loan Agreement, the Rents due and to become due under such tenant’s Lease, and such authorization and direction shall be sufficient warrant to the tenant to make future payments of Rents directly to the Lender Accounts in accordance with the terms of the Loan Agreement without the necessity for further consent by Borrower.

2. Assignment; Deferred Exercise of Rights.

(a) As part of the consideration for the Indebtedness, Borrower does hereby absolutely and unconditionally assign to Lender all right, title and interest of Borrower in and to all present and future Leases and Rents, and this Assignment constitutes a present and absolute assignment and is intended to be unconditional and not as an assignment for additional security only. It is further intended that it not be necessary for Lender to institute legal proceedings, absent any requirements of law or regulation to the contrary, to enforce the provisions hereof. Borrower hereby authorizes Lender or its agents to collect the Rents; provided, however, that, other than during the occurrence and continuance of an Event of Default Borrower shall have a revocable license, but limited as provided in this Assignment and in the Loan Agreement, to otherwise deal with, and enjoy the rights of the lessor under, the Leases, including, without limitation, the right to collect and receive the Rents in accordance with the terms of the Loan Agreement.

(b) Upon the occurrence and during the continuance of an Event of Default, and without the necessity of Lender entering upon and taking and maintaining full control of the Property in person, by agent or by court-appointed receiver, the license referred to in Subsection (a) above shall immediately be revoked and Lender shall have the right at its option, to exercise all rights and remedies contained in the Loan Documents, or otherwise available at law or in equity.

3. Rents Held in Trust by Borrower. Rents held or received by Borrower shall be held or received by Borrower as trustee for the benefit of Lender only and Borrower shall cause (a) Rents received by Borrower, upon the occurrence and during the continuance of an Event of Default, to be deposited, at the direction of Lender, directly to the Lender Accounts in accordance with the terms of the Loan Agreement and (b) the Excess Rent to be deposited in the Interest and Carry Escrow Account in accordance with the terms of the Loan Agreement.

4. Effect on Rights Under Other Documents. Nothing contained in this Assignment and no act done or omitted by Lender pursuant to the powers and rights granted to it hereunder

shall be deemed to be a waiver by Lender of its rights and remedies under any of the other Loan Documents, and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by Lender under the terms of the other Loan Documents. The rights of Lender under the other Loan Documents may be exercised by Lender either prior to, simultaneously with, or subsequent to any action taken by it hereunder. This Assignment is intended to be supplementary to and not in substitution for or in derogation of any assignment of rents or grant of a security interest contained in any of the other Loan Documents.

5. Event of Default. Upon or at any time after the occurrence and during the continuance of an Event of Default, then in addition to and without limiting any of Lender's rights and remedies hereunder and under the other Loan Documents and as otherwise available at law or in equity:

(a) Lender may, at its option, without waiving such Event of Default and without regard to the adequacy of the security for the Indebtedness, either in person or by agent, without bringing any action or proceeding, or by a receiver appointed by a court, without taking possession of the Property in its own name, demand, sue for, direct tenants to pay Rents directly into the Lender Accounts or otherwise collect and receive all Rents, including those past-due and unpaid, for application to the payment of the Indebtedness in accordance with the terms of the Loan Agreement, and Lender may enter into, and to the extent that Borrower would have the right to do so, cancel, enforce or modify any Lease. The exercise by Lender of the option granted to it in this Section 5(a) and the collection of the Rents and the application thereof as herein provided shall not be considered a waiver of any Event of Default.

(b) Borrower hereby acknowledges and agrees that payment of any item of Rent by a Person to Lender as hereinabove provided shall constitute payment in full of such item of Rent by such Person, as fully and with the same effect as if it had been paid to Borrower.

(c) Lender in respect of the Leases and Rents shall have all of the rights and remedies of a secured party under the Uniform Commercial Code as in effect in the State in which such rights and remedies are asserted as described in Section 12(b) hereof to the extent of such rights thereunder and additional rights and remedies to which a secured party is entitled under the laws in effect in any jurisdiction where any rights and remedies hereunder may be asserted.

6. Application of Rents and Proceeds. Rents received or held by Borrower or Lender shall be applied in accordance with the terms of the Loan Agreement.

7. Attorney-in-Fact. Upon the occurrence and during the continuance of an Event of Default, Borrower does hereby irrevocably appoint Lender as its attorney-in-fact with full power, in the name and stead of Borrower to demand, collect, receive and give complete acquittance for any and all of the Rents now due or that may hereafter become due, and at Lender's discretion, to file any claim, to take any other action, to institute any proceeding or to make any settlement of any claim, either in its own name or in the name of Borrower or otherwise, which Lender may deem necessary or desirable in order to collect and enforce the payment of Rents.

8. Termination. Lender, by the acceptance of this Assignment, agrees that when all of the Indebtedness shall have been paid in full, this Assignment shall automatically terminate and

be void and of no effect, and Lender shall execute and deliver to Borrower, upon such termination such instruments of termination or re-assignment and Uniform Commercial Code termination statements, all without recourse and without any representation or warranty whatsoever, as shall be reasonably requested by Borrower.

9. Expenses. Borrower agrees to pay to Lender all actual out-of-pocket expenses (including reasonable expenses for attorneys' fees and disbursements) actually incurred by Lender of, or incident to, the enforcement of any of the provisions of this Assignment or performance by Lender of any obligation of Borrower hereunder which Borrower has failed or refused to perform.

10. Further Assurances. Borrower agrees that, from time to time upon the written request of Lender, it will give, execute, deliver, file and/or record any financing statements, notice, instrument, document, agreement or other papers and do such other acts and things that may be necessary to create, preserve, perfect or validate this Assignment, to enable Lender to exercise and enforce its rights hereunder with respect to this Assignment or to otherwise carry out the purposes and intent of this Assignment.

11. No Obligation by Lender. By virtue of this Assignment, Lender shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any of the Leases. This Assignment shall not operate to constitute Lender as a lender in possession of the Property or to place responsibility for the control, care, management or repair of the Property upon Lender, nor shall it operate to make Lender responsible or liable for any waste committed on the Property by any tenant or other party in possession or for any dangerous or defective condition of the Property or for any negligence in the management, upkeep, repair or control thereof unless and until Lender has obtained actual and exclusive control and possession of the Property.

12. Miscellaneous.

(a) No failure on the part of Lender or any of its agents to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by Lender or any of its agents of any right, power or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Subject to Section 16 hereof, the remedies herein are cumulative and are not exclusive of any remedies provided by law.

(b) WITH RESPECT TO MATTERS RELATING TO THE CREATION, PERFECTION AND PROCEDURES RELATING TO THE ENFORCEMENT OF THIS ASSIGNMENT, THIS ASSIGNMENT SHALL BE GOVERNED BY, AND BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED, IT BEING UNDERSTOOD THAT, EXCEPT AS EXPRESSLY SET FORTH ABOVE IN THIS SECTION AND TO THE FULLEST EXTENT PERMITTED BY THE LAW OF SUCH STATE, THE LAW OF THE STATE OF NEW YORK SHALL GOVERN ALL MATTERS RELATING TO THIS ASSIGNMENT AND THE OTHER LOAN DOCUMENTS AND ALL OF THE INDEBTEDNESS OR OBLIGATIONS ARISING HEREUNDER OR THEREUNDER. ALL PROVISIONS OF THE LOAN AGREEMENT INCORPORATED HEREIN BY REFERENCE SHALL BE GOVERNED BY, AND CONSTRUED IN

ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, AS SET FORTH IN THE GOVERNING LAW PROVISION OF THE LOAN AGREEMENT.

(c) Subject to Section 16 hereof, all rights and remedies set forth in this Assignment are cumulative, and Lender may recover judgment thereon, issue execution therefor, and resort to every other right or remedy available at law or in equity, without first exhausting and without affecting or impairing the security of any right or remedy afforded hereby; and no such right or remedy set forth in this Assignment shall be deemed exclusive of any of the remedies or rights granted to Lender in any of the Loan Documents. Nothing contained in this Assignment shall be deemed to limit or restrict the rights and remedies of Lender under the Loan Agreement or any of the other Loan Documents.

(d) Until the Indebtedness secured by the Loan Documents is paid in full, Borrower will, upon request, deliver from time to time to Lender photocopies certified by Borrower, as true, correct and complete, of executed originals, of any and all existing Leases to which Borrower is a party, and photocopies of executed originals, so certified by Borrower, of all other and future Leases to which Borrower is a party, and upon request of Lender, will specifically transfer and assign to Lender such other and future Leases upon the same terms and conditions as herein contained.

(e) Borrower represents that it: (i) has been advised that Lender engages in the business of real estate financings and other real estate transactions and investments which may be viewed as adverse to or competitive with the business of Borrower or its respective affiliates; (ii) is represented by competent counsel and has consulted counsel before executing this Assignment; and (iii) has relied solely on its own judgment and on its counsel and advisors in entering into the transaction(s) contemplated hereby without relying in any manner on any statements, representations or recommendations of Lender or any parent, subsidiary or affiliate of Lender.

(f) Provided no Event of Default exists, this Assignment will be released of record by Lender after payment in full of the Indebtedness in accordance with the terms and provisions of the Loan Agreement.

13. No Oral Change. This Assignment may not be amended except by an instrument in writing signed by Borrower and Lender.

14. Successors and Assigns. Borrower shall not assign its rights under this Assignment except as permitted under the Loan Agreement. Subject to the foregoing, this Assignment shall be binding upon, and shall inure to the benefit of Borrower and Lender and their respective successors and assigns.

15. Notices. All notices, demands, requests and other communications provided for herein shall be given or made in writing in the manner specified in the Loan Agreement.

16. Exculpation. It is expressly agreed that recourse against Borrower for failure to perform and observe its obligations contained in this Assignment shall be limited as and to the extent provided in Section 9.19 of the Loan Agreement.

17. Joint and Several Liability. The obligations and liabilities of Borrower hereunder

shall be joint and several.

18. Principles of Construction. In the event of any inconsistencies between the terms and conditions of Section 19 and the other terms and conditions of this Assignment, the terms and conditions of Section 19 shall control and be binding.

19. Utah Law. THIS ASSIGNMENT, together with the covenants and warranties therein contained, shall inure to the benefit of Lender and any subsequent holder of the Security Instrument and shall be binding upon Borrower, its heirs, executors, administrators, successors and assigns and any subsequent owner of the Property. PURSUANT TO UTAH CODE ANN. SECTION 25-5-4, BORROWER IS HEREBY NOTIFIED THAT THE WRITTEN LOAN DOCUMENTS AND OTHER RELATED DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF ANY ALLEGED PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

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IN WITNESS WHEREOF, this Assignment has been duly executed by Borrower as of the day and year first above written.

BORROWER:

GARDNER – VBP SF PROPERTY OWNER, LP, a Delaware limited partnership

By: Gardner – VBF SF GP, LLC, a Delaware limited liability company, its general partner

By: Gardner – VBP Spanish Fork LP, a Delaware limited partnership, its manager


By: Gardner Spanish Fork GP, L.C., a Utah limited liability company, its general partner

By: KC Gardner Company, L.C., a Utah limited liability company, its manager

By: 
Name: Christian K. Gardner
Title: Manager

By: Industrial Park SF, LP, a Delaware limited partnership, by its general partner

By: VBP Spanish Fork, LLC, a Delaware limited liability company, its general partner

By: 
Name: Jeffrey Grasso
Title: Manager

[ACKNOWLEDGMENT PAGE TO FOLLOW]

STATE OF Utah)

) SS:

COUNTY OF Salt Lake)

On the 17th day of January, 2023, before me, the undersigned officer, a Notary Public, personally appeared Christian Garcia who acknowledged himself to be an Authorized Person of KC Garden Company and that as such he, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company by himself as an Authorized Person of such limited liability company.

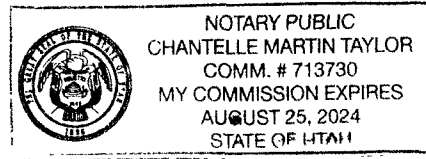
IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Chantelle Martin Taylor

Notary Public

My commission expires:

08.25.2024



STATE OF Utah)

) SS:

COUNTY OF Salt Lake)

On the 17th day of January, 2023, before me, the undersigned officer, a Notary Public, personally appeared Jeffrey Gross who acknowledged himself to be an Authorized Person of VOL Spunza Farm and that as such he, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the limited liability company by himself as an Authorized Person of such limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Chantelle Martin Taylor

Notary Public

My commission expires:

08-25-2024

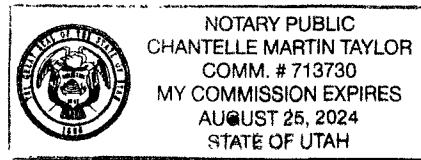


Exhibit A

LEGAL DESCRIPTION

A parcel of land being a part of an entire tract described in that Warranty Deed recorded August 1, 2022 as Entry No. 86071:2022 in the office of the Utah County Recorder. Said parcel of land is located in the Southeast quarter of Section 11, Township 8 South, Range 2 East, Salt Lake Base and Meridian and is described as follows:

Beginning at an existing wire fence corner, which is 330.09 feet North 00°25'57" West along the Section line and 4.59 feet North 89°38'13" West from the Southeast corner of said Section 11; thence North 89°38'13" West 749.02 feet along an existing wire fence to a metal fence corner; thence along said metal and wood fence the following five (5) courses: (1) North 03°22'57" West 60.29 feet; (2) North 00°27'16" East 335.84 feet; (3) North 03°27'57" East 88.91 feet; (4) North 07°23'28" East 86.04 feet; and (5) North 09°09'42" East 258.06 feet and extension thereof to an existing wire fence; thence along said wire fence the following two (2) courses: (1) North 74°20'34" East 462.57 feet; and (2) North 78°07'24" East 241.30 feet and extension thereof; thence South 00°37'05" East 1,004.17 feet to and along an existing wire fence to the point of beginning.