



**2016-004136**

**Klamath County, Oregon**

**04/25/2016 11:17:35 AM**

**Fee: \$172.00**

RECORDATION REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Assured Guaranty Corp.  
31 West 52nd Street  
New York, NY 10019  
Attention: Structured Surveillance Department

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

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

**CREDIT INSTRUMENT**

**Given as security for Old Mill Solar, LLC's obligations to Assured Guaranty Corp. pursuant to that certain Unconditional Guaranty of State New Markets Tax Credits dated as of April 22, 2016 by and among Old Mill Solar, LLC, an Oregon limited liability company, Petros-Pacesetter Oregon Investor I, LLC, a Delaware limited liability company, and Assured Guaranty Corp., a Maryland corporation.**

THIS DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Deed of Trust") is dated April 22, 2016 by **OLD MILL SOLAR, LLC**, an Oregon limited liability company ("Grantor"), in favor of **CHICAGO TITLE INSURANCE COMPANY**, a Nebraska corporation, whose address is 10135 SE Sunnyside Rd, Clackamas, OR 97015 ("Trustee"), for the benefit of **ASSURED GUARANTY CORP.**, a Maryland-domiciled insurance company (the "Beneficiary").

THIS DEED OF TRUST IS INTENDED ALSO AS A FIXTURE FILING AND IS TO BE INDEXED NOT ONLY AS A DEED OF TRUST BUT ALSO AS A FIXTURE FILING.

WHEREAS, Grantor owns that certain real property (the "Land") located in Bly, Oregon in the County of Klamath, which Land is more particularly described on Exhibit A attached hereto and made a part hereof, together with all existing or subsequently erected or affixed buildings, improvements, Solar Panels (as hereinafter defined), and fixtures; all appliances, furniture and furnishings affixed to the real property; all easements, rights of way and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights) and all other rights, royalties and profits relating to the Land, including, without limitation, all minerals, oil, gas, geothermal and similar matters, and all requisite approvals, licenses, permits, variances, cooperative agreements, tax credits (if applicable), tax abatement benefits (if applicable) and land-use entitlements; and all proceeds of any of the foregoing (collectively, the "Real Property").

Old Mill Solar  
Indemnity Deed of Trust

WHEREAS, to induce Beneficiary to enter into the QALICB Indemnification Agreement (as defined below), Grantor has agreed to execute and deliver this Deed of Trust to secure the rights of Beneficiary on the terms contained herein.

1. **CONVEYANCE AND GRANT.** For valuable consideration, Grantor grants, bargains, sells, conveys, assigns, and transfers to Trustee in trust with power of sale, right of entry, and possession, for the benefit of Beneficiary, the Real Property and all other of Grantor's right, title, and interest in and to (a) the Real Property; (b) all building materials and supplies, improvements, Solar Panels, fixtures and other equipment located from time to time on, under or about the Real Property, together with any alterations, additions and improvements thereto and all restorations and replacements thereof hereafter made from time to time; (c) all estates, easements, interests, licenses, tenements, hereditaments, appurtenances, rights and rights of way, public or private, pertaining, belonging or otherwise relating to the Real Property or any of the other Property described herein; (d) any and all equipment, fixtures, general intangibles, instruments, chattel paper, deposit accounts or other Personal Property; (e) all insurance proceeds and any judgments, settlements, awards and other payments, including interest thereon, which may be made in respect of the Property, as a result of damage to or destruction of the Property, the exercise of the right of condemnation or eminent domain over any interest in the Property, or any other injury to or decrease in the value of the Property; (f) all franchises, permits, licenses and other rights therein respecting the use, occupation or operation of the Property or the activities conducted thereon or thereabout; (g) all rents (including all unearned or prepaid rents and any and all refunds or rebates of or with respect to any rents, and any interest thereon), income, deposits and other benefits arising out of or otherwise related to the Property and all leases on or affecting the Property, and any security deposits, contract rights, general intangibles, actions, rights of action and unearned insurance premiums relating to such leases or the Property, and (h) all accessions to, substitutes for and all modifications, replacements, renewals, products and proceeds of any of the foregoing. The address of the Real Property is 60965 Highway 140, Bly, Oregon 97622.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF LEASES AND RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (1) PAYMENT OF THE INDEBTEDNESS AND (2) PERFORMANCE OF ANY AND ALL OBLIGATIONS OF GRANTOR UNDER THE QALICB INDEMNIFICATION AGREEMENT.

2. **DEFINITIONS.** Capitalized terms in this Deed of Trust shall have the meanings given in this Section 2 when used in this Deed of Trust. Capitalized terms not otherwise defined in this Deed of Trust shall have the meanings attributed to such terms in the Uniform Commercial Code as now or hereafter in effect. The words "including" or "include" shall mean including or include by way of example and not limitation (regardless of whether the words "without limitation" or words of similar import are used in conjunction therewith), unless otherwise expressly stated. References to Sections are intended to refer to Sections of this Deed of Trust, unless otherwise specifically stated.

“Deed of Trust” means this Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, and includes, without limitation, all assignment and security interest provisions relating to the Personal Property, Leases and Rents.

“Dollars” and “\$” mean the lawful money of the United States of America.

“Entity” means any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative, association, foreign trust or foreign business organization.

“Event of Default” means a default or event of default by Grantor under the QALICB Indemnification Agreement.

“Improvements” means and includes without limitation all existing and future improvements, Solar Panels, fixtures, buildings, structures, modular buildings, mobile homes affixed on the Real Property, facilities, additions and other construction on the Real Property.

“Indebtedness” means all obligations of Grantor under the QALICB Indemnification Agreement and any amounts expended or advanced by Beneficiary to discharge obligations of Grantor or expenses incurred by Trustee or Beneficiary to enforce obligations of Grantor under this Deed of Trust, together with interest on such amounts as provided therein.

“Leases” means all present and future leases, subleases, rental agreements, licenses and other agreements for the use and occupancy of all or any part of the Real Property, whether written or oral, and any amendments, extensions, renewals and replacements thereof.

“Personal Property” means Grantor’s interest, whether now owned or hereafter acquired or arising, in all of the following: (a) all Solar Panels, equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor that is now or hereafter located on or used in connection with all or any part of the Real Property, any construction thereon, or any business operated by Grantor thereon, together with all accessions, parts and additions to, all replacements of, and all substitutions for, any of such property; (b) all equipment, materials, supplies and other goods, wherever located, whether in the possession of Grantor, a warehouseman, bailee or any other Person that is purchased for use in the construction or furnishing of any Improvements on the Real Property; (c) all general intangibles, chattel paper and instruments that arise from or relate to the Property or any business operated by Grantor thereon; (d) all construction, service, environmental, engineering, consulting, leasing, architectural and other similar contracts of any nature (including, without limitation, those of any general contractors and subcontractors), as such may be modified, amended or supplemented from time to time, concerning the design, construction, management, operation, occupancy, use and/or disposition of any portion of or all of the Property; (e) all architectural drawings, plans,

specifications, soil tests, feasibility studies, appraisals, engineering reports and similar materials relating to any portion of or all of the Property; (f) all payment and performance bonds or guarantees and any and all modifications and extensions thereof relating to the Property; (g) all deposits and deposit accounts related to the Property, including without limitation, (i) those relating to the Indebtedness or the Property, (ii) security deposits, (iii) deposits relating to utility services and deposits for the Property, (iv) deposit accounts relating to the Property and (v) reserves established with Beneficiary for taxes, insurance or otherwise relating to the Property; (h) to the extent it is deemed to be personal property, the Real Property; (i) all awards or payments, including interest thereon, and the right to receive the same, which may be made with respect to the Real Property as a result of the exercise of the right of eminent domain or any other injury to or decrease in the value of the Real Property and (j) all proceeds (including without limitation all condemnation awards and settlements, insurance proceeds, and refunds of premiums) of any of the foregoing and any other Property.

“Property” means, collectively, the Real Property, the Improvements, the Personal Property and, except where the context otherwise requires, the Leases and Rents.

“QALICB Indemnification Agreement” means that certain Unconditional Guaranty of State New Markets Tax Credits dated as of the date hereof by and among Grantor, Petros-Pacesetter Oregon Investor I, LLC, a Delaware limited liability company, and Beneficiary, together with any amendments, addenda, extensions, supplements, renewals, replacements or restatements thereof or therefor.

“Rents” means all present and future rents, revenues, fees, charges, income, issues, royalties, profits and other income, benefits or payments of any nature arising from or out of the Leases, if any, or from or out of all or any part of the Property, including but not limited to fees, charges, accounts and other payments for the use or occupancy of rooms and other public facilities, minimum rents, additional rents, percentage rents, parking or common area maintenance charges, tax and insurance contributions, deficiency rents and claims for damages from default.

“Solar Panels” means all solar panels and related equipment owned by Grantor that are now or hereafter located on or used in connection with all or any part of the Real Property and Grantor’s solar photovoltaic facility located thereon, including but not limited to the those items described on Exhibit C attached hereto, together with all accessions, parts and additions to, all replacements of, and all substitutions for, any of such property.

3. **PAYMENT AND PERFORMANCE.** Except as otherwise provided in this Deed of Trust, Grantor shall pay to Beneficiary all Indebtedness secured by this Deed of Trust as it becomes due, and Grantor shall strictly perform all of Grantor’s obligations under the QALICB Indemnification Agreement and this Deed of Trust.

4. **POSSESSION AND MAINTENANCE OF THE PROPERTY.**

4.1. **Possession and Use.** Until the occurrence of an Event of Default, Grantor may (a) remain in possession and control of the Property and (b) use, operate and manage the Property.

4.2. **Duty to Maintain.** Grantor shall maintain the Property in good condition and promptly perform all repairs, replacements and maintenance necessary to preserve its value.

4.3. **Nuisance, Waste.** Grantor shall not cause, conduct or permit any nuisance nor commit, permit or suffer any stripping of or waste on or to the Property or any portion of the Property. Specifically, without limitation, Grantor will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel, or rock products without the prior written consent of Beneficiary, which consent shall not be unreasonably conditioned, withheld, or delayed.

4.4. **Removal of Improvements.** Except when maintaining or rebuilding the Improvements, Grantor shall not alter, demolish or remove any Improvements from the Real Property, nor permit such alteration, demolishing or removal, without the prior written consent of Beneficiary, which consent shall not be unreasonably conditioned, withheld, or delayed. As a condition to the alteration, demolition or removal of any Improvements, Beneficiary may require Grantor to make arrangements satisfactory to Beneficiary to replace such Improvements with Improvements of at least equal value.

4.5. **Beneficiary's Right to Enter.** Subject to Beneficiary's (and Beneficiary's agents' and representatives') compliance with Grantor's reasonable policies and procedures generally-applicable to Grantor's invitees upon the Real Property, Beneficiary and its agents and representatives may enter upon the Real Property at all reasonable times and upon reasonable notice to Grantor to attend to Beneficiary's interests and to inspect the Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

4.6. **Compliance with Governmental Requirements.** Grantor shall promptly comply with all laws, ordinances and regulations, now or hereafter in effect, of all Governmental Authorities applicable to the use or occupancy of the Property, including the obligation to pay prior to delinquency all taxes, levies, charges and assessments. Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Beneficiary in writing prior to doing so and so long as, in Beneficiary's reasonable opinion, Beneficiary's interests in the Property are not jeopardized. Beneficiary may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Beneficiary, to protect Beneficiary's interest.

4.7. **Duty to Protect.** Grantor agrees to not abandon the Property. In addition to those acts set forth above in this Section 4, Grantor shall do all other acts that are reasonably necessary to protect and preserve the character and use of the Property.

#### 4.8. Access Laws.

(a) Grantor agrees that Grantor and the Property shall at all times strictly comply with any applicable requirements of the Federal Americans with Disabilities Act of 1990; the Federal Fair Housing Amendments Act of 1988; any other applicable federal, state or local laws or ordinances related to disabled access; and any statute, rule, regulation, ordinance, order of governmental body or regulatory agency or order or decree of any court adopted or enacted with respect thereto, as now existing or hereafter amended or adopted (collectively, the “Access Laws”). At any time, Beneficiary may require a certificate of compliance with the Access Laws and indemnification agreement in a form reasonably acceptable to Beneficiary. Beneficiary may also require a certificate of compliance with the Access Laws from an architect, engineer or other third party acceptable to Beneficiary. Provided, however, that if Beneficiary requests any such certificates of compliance and the parties do not agree on the applicability of Access Laws, Grantor shall not be obligated to provide such certificates of compliance until a reasonable time after the applicable governmental authority has issued a determination that such Access Laws apply.

(b) Except as required by the Access Laws, notwithstanding any provisions set forth herein or in any other document, Grantor shall not alter or permit any tenant or other Person to alter the Property in any manner which would increase Grantor’s responsibilities for compliance with the Access Laws without the prior written approval of Beneficiary, which approval shall not be unreasonably conditioned, withheld, or delayed. In connection with such approval, Beneficiary may require a certificate of compliance with the Access Laws from an architect, engineer or other Person acceptable to Beneficiary.

(c) Grantor agrees to give prompt written notice to Beneficiary of the receipt by Grantor of any claims of violation of any of the Access Laws and of the commencement of any proceedings or investigations which relate to compliance with any of the Access Laws.

(d) Grantor shall indemnify, defend and hold harmless Beneficiary from and against any and all claims, demands, damages, costs, expenses, losses, liabilities, penalties, fines and other proceedings including, without limitation, reasonable attorney fees and expenses arising directly or indirectly from, out of, or in any way connected with, any failure of the Property to comply with any of the Access Laws. The obligations and liabilities of Grantor under this Section 4 shall survive any termination, satisfaction, assignment, judicial or nonjudicial foreclosure proceeding or delivery of a deed in lieu of foreclosure.

5. [Reserved].

6. **DUE ON SALE - CONSENT BY BENEFICIARY.**

6.1. **Due on Sale.** Except as expressly permitted by the QALICB Indemnification Agreement, Grantor shall not (a) sell or transfer all or any part of the Real Property, or any interest in the Real Property (including, without limitation, Grantor's interest in the Land), or (b) permit the sale or transfer of any direct legal or beneficial interest in Grantor. Upon any sale or transfer of all or any part of the Real Property, or of any interest in the Real Property or of any direct legal or beneficial interest in Grantor, in violation of the QALICB Indemnification Agreement or this Deed of Trust, Beneficiary may, at its option, (a) declare immediately due and payable all sums secured by this Deed of Trust or (b) impose such conditions as Beneficiary deems appropriate. A "sale or transfer" or to "sell or transfer" means the conveyance of the Real Property or any right, title or interest therein, or the conveyance of any direct legal or beneficial interest in Grantor; whether legal or equitable; whether voluntary or involuntary; and with respect to the Real Property, whether by outright sale, deed, installment sale contract, land contract, contract for deed, lease, lease-option contract or by sale, assignment or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of Real Property interest. However, the options in this Section 6.1 shall only be exercised by Beneficiary to the extent such options are not prohibited by law.

## 7. **TAXES AND LIENS.**

7.1. **Payment.** Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens and encumbrances except Permitted Encumbrances (as such term is defined in the Loan Agreement entered into by and between Grantor and Pacesetter CDE XI, LLC, a Texas limited liability company the ("Loan Agreement")), the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

7.2. **Right To Contest.** Grantor may withhold payment of any tax, assessment or claim in connection with a good faith dispute over the obligation to pay, so long as Beneficiary's interest in the Property is not jeopardized. If a lien arises, or is filed, as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or, if requested by Beneficiary, deposit with Beneficiary cash or a sufficient corporate surety bond or other security satisfactory to Beneficiary in an amount sufficient to discharge the lien plus any costs and reasonable attorney fees or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Beneficiary and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Beneficiary as an additional obligee under any surety bond furnished in the contest proceedings.

7.3. **Evidence of Payment.** Grantor shall upon demand furnish to Beneficiary evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Beneficiary at any time a written statement of the taxes and assessments against the Property.

7.4. **Notice of Construction.** Grantor shall notify Beneficiary at least fifteen (15) days before any construction work is commenced, any services are furnished or any materials are supplied to the Property, if any mechanic's lien, materialman's lien or other lien could be asserted on account of the work, services or materials and the cost exceeds \$100,000.00. Grantor will upon request of Beneficiary furnish to Beneficiary advance assurances reasonably satisfactory to Beneficiary that Grantor can and will pay the cost of such Improvements.

## 8. **INSURANCE.**

8.1. **Maintenance of Insurance.** Grantor shall obtain and maintain such policies of insurance as required pursuant to the QALICB Indemnification Agreement and/or the Loan Agreement.

8.2. **Lenders Loss Payable.** Beneficiary shall be the beneficiary of a mortgagee/lender's loss payable clause (438 BFU or equivalent wording that includes protection for non-vitiating acts) and shall be endorsed as a loss payee under the all-risk property insurance policy procured and maintained for the project.

8.3. **[Reserved.]**

8.4. **[Reserved.]**

8.5. **Application of Proceeds.** Grantor shall promptly notify Beneficiary of any loss or damage to the Property if the estimated cost of repair or replacement exceeds fifty thousand dollars (\$50,000.00 USD) per occurrence or seventy-five thousand dollars (\$75,000.00 USD), in aggregate per calendar year. Beneficiary may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Beneficiary may, at its election, receive and retain the proceeds and apply the same to the reduction of the Indebtedness and/or the payment of any lien affecting the Property, or may permit the proceeds to be applied to the repair, restoration and replacement of the Property. In the event Beneficiary elects to apply the insurance proceeds to the repair, restoration and replacement of the Property, Grantor shall repair or replace the damaged or destroyed Improvements in a manner reasonably satisfactory to Beneficiary. Beneficiary shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. Any proceeds which have not been disbursed within one hundred eighty (180) days after their receipt and which Beneficiary has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Beneficiary under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Beneficiary holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid to Grantor as Grantor's interests may appear.

8.6. **[Reserved.]**

8.7. **Grantor's Report on Insurance.** Within thirty (30) days of a written request by



Beneficiary, Grantor shall furnish to Beneficiary a certificate of insurance showing: (a) the name of the insurer; (b) the risks insured; (c) the property insured, the then current replacement value of such property; and (d) the expiration date of the policy. Grantor shall, upon request of Beneficiary, have an independent appraiser reasonably satisfactory to Beneficiary determine the cash value replacement cost of the Property.

8.8. **Insurance Disclosure.** Unless Grantor provides Beneficiary with evidence of the insurance coverage as required herein, Beneficiary may purchase insurance at Grantor's expense to protect Beneficiary's interest. This insurance may, but need not, also protect Grantor's interest. If the Property becomes damaged, the coverage Beneficiary purchases may not pay any claim Grantor makes or any claim made against Grantor. Grantor may later cancel Beneficiary's coverage by providing evidence that Grantor has obtained the required coverage elsewhere. Grantor is responsible for the cost of any insurance purchased by Beneficiary. The cost of this insurance may be added to the balance of the Indebtedness. The effective date of coverage may be the date Grantor's prior coverage lapsed or the date Grantor failed to provide proof of coverage. The coverage Beneficiary purchases may be considerably more expensive than insurance Grantor can obtain on Grantor's own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

9. **[Reserved].**

10. **EXPENDITURES BY BENEFICIARY.** If any action or proceeding is commenced that would materially affect Beneficiary's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or the QALICB Indemnification Agreement, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or the QALICB Indemnification Agreement, Beneficiary, on Grantor's behalf, may (but shall not be obligated to) take any action that Beneficiary reasonably deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Beneficiary for such purposes will then bear interest at the highest rate then applicable to any Indebtedness from the date incurred or paid by Beneficiary to the date of repayment. All such expenses will become a part of the Indebtedness and will be payable on demand. The Property (and any interest Grantor holds in the Property) also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Beneficiary may be entitled on account of the default. Any such action by Beneficiary shall not be construed as curing the default so as to bar Beneficiary from any remedy that it otherwise would have had.

11. **REPRESENTATIONS AND WARRANTIES; DEFENSE OF GRANTOR'S INTEREST.**

11.1. **Grantor's Interest.** Grantor represents and warrants that:

- (a) Grantor is seized of an indefeasible estate in fee simple in and to the Land;

(b) to the best of Grantor's knowledge and belief, subject only to Permitted Encumbrances, Grantor has good and marketable title to the Personal Property and Real Property and has the right to convey the same;

(c) to the best of Grantor's knowledge and belief, the Property is free and clear of any and all liens, security interests, charges, encumbrances and claims of other persons, other than Permitted Encumbrances, and without limiting the generality of the foregoing, the Real Property is not subject to any other mortgage, pledge, hypothecation, or assignment, other than Permitted Encumbrances;

(d) no tenancy or other rights of use or occupancy of all or any part of the Property (other than as permitted by Beneficiary in writing) have been created, by operation of law or otherwise, whether absolutely, conditionally, collaterally or otherwise;

(e) Grantor has not assigned all or any part of its right, title and interest in and to the Property (including, without limitation, the right to collect and receive rent or other money), whether absolutely, conditionally, collaterally or otherwise other than Permitted Encumbrances; and

(f) Grantor shall preserve and maintain the lien hereby created as a first and prior lien on the Property.

**11.2. Defense of Title.** Except for Permitted Encumbrances, Grantor warrants and will forever defend its interest to the Property against the lawful claims of all Persons and agrees that there shall be no other liens or encumbrances against the Property, even if such liens or encumbrances are subordinate to the lien of this Deed of Trust, unless Beneficiary consents to such additional liens or encumbrances in writing, such consent to be in Beneficiary's reasonable discretion, or unless such liens or encumbrances are subordinate and would have no material adverse effect on the project. In the event any action or proceeding is commenced that questions Grantor's interest in the Property or the interest of Trustee or Beneficiary under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Beneficiary shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Beneficiary's own choice, and Grantor will deliver or cause to be delivered to Beneficiary such instruments as Beneficiary may request from time to time to permit such participation.

**11.3. Compliance with Laws.** Grantor warrants that to Grantor's knowledge the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances and regulations of Governmental Authorities.

## **12. CONDEMNATION.**

**12.1. Application of Net Proceeds.** If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation,

Beneficiary may, at its election, require that all or any portion of the net proceeds of the award due to Grantor be applied to the Indebtedness or may permit such proceeds to be applied to the repair or restoration of the Property. If the proceeds are applied to repair or restoration, Beneficiary shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorney fees, of both Trustee and Beneficiary in connection with the condemnation.

12.2. **Proceedings.** If any proceeding in condemnation is filed, Grantor shall promptly notify Beneficiary in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Beneficiary shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice, and Grantor will deliver or cause to be delivered to Beneficiary such instruments as may be requested by it from time to time to permit such participation.

13. **IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES.**

13.1. **Current Taxes, Fees, and Charges.** Upon request by Beneficiary, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Beneficiary to perfect and continue Beneficiary's lien on the Property. Grantor shall reimburse Beneficiary for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps and other charges for recording or registering this Deed of Trust.

13.2. **Taxes.** The following shall constitute taxes to which this Section 13 applies: (a) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (b) a specific tax on Grantor which it is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (c) a tax on this type of Deed of Trust chargeable against the Beneficiary and (d) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

13.3. **Subsequent Taxes.** If any tax to which this Section 13 applies is enacted subsequent to the date of this Deed of Trust Grantor shall, in Grantor's discretion, either: (a) pay the tax before it becomes delinquent or (b) contest the tax as provided in Section 7 and deposits with Beneficiary cash or a sufficient corporate surety bond or other security satisfactory to Beneficiary.

14. **SECURITY AGREEMENT; FINANCING STATEMENTS.**

14.1. **Security Agreement.** This Deed of Trust shall constitute a security agreement to the extent any of the Property or improvements to the Property, including but not limited to the Solar Panels, constitute equipment, fixtures, general intangibles, instruments, chattel paper,

deposit accounts or other personal property, and Beneficiary shall have all of the rights of a secured party under the Uniform Commercial Code, as amended from time to time.

**14.2. Security Interest.** Upon request by Beneficiary, Grantor shall take whatever action is reasonably requested by Beneficiary to evidence, perfect, protect, enforce and continue Beneficiary's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Beneficiary may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor authorizes Beneficiary to file any financing statements and to take all other actions which Beneficiary deems advisable to evidence, perfect or continue its security interest in any collateral for the Indebtedness. Grantor shall reimburse Beneficiary for all expenses incurred in perfecting or continuing this security interest.

**14.3. UCC Financing Statement Information.** The mailing addresses of Grantor (debtor) and Beneficiary (secured party), from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code), are as stated on Exhibit B to this Deed of Trust. Grantor is a limited liability company and its jurisdiction of organization is Oregon. Grantor is the record owner of the Real Estate.

**15. ASSIGNMENT OF LEASES AND RENTS.** Grantor assigns and conveys to Beneficiary all of Grantor's right, title and interest in and to all present and future Leases and Rents. Beneficiary grants to Grantor a license to collect the Rents and profits, which license may be revoked at Beneficiary's option upon and during the continuation of an Event of Default but shall be reinstated upon the cure of the Event of Default that resulted in such revocation and shall be automatically revoked upon acceleration of all or part of the Indebtedness.

**15.1. Grantor's Representations and Warranties.** Grantor represents and warrants that: (a) Grantor has good right, title and interest to the Leases and Rents, free of all liens, encumbrances and claims except those disclosed to and accepted by Beneficiary in writing; (b) Grantor has full right, power and authority to enter into and perform this assignment; (c) the Leases are in full force and effect and have not been modified or amended; (d) the Rents have not been waived, discounted, compromised, setoff or paid more than one month in advance; (e) there are no other assignments, transfers, pledges or encumbrances of any Leases or Rents; and (f) neither Grantor nor the lessees and tenants are in default under the Leases.

**15.2. Grantor's Agreements.** Grantor shall (a) fulfill or perform each and every term, covenant and provision of the Leases to be fulfilled or performed by the lessor thereunder; (b) give prompt notice to Beneficiary of any notice received by Grantor of default under any such Lease or of any alleged default or failure of performance that could become a default thereunder, together with a complete copy of any such notice and (c) enforce, short of termination thereof, the performance or observance of each and every term, covenant and provision of the any Leases to be performed or observed by the lessees and tenants thereunder. Grantor, without the prior written consent of Beneficiary, shall not: (i) assign, transfer, pledge or encumber the whole or any part of the Leases and Rents to anyone other than Beneficiary, other than Permitted Encumbrances; (ii) accept any Rents more than one month in advance of the

accrual thereof; (iii) do or permit anything to be done or omit or refrain from doing anything, that could be a breach or default under the terms of a Lease; or (iv) enter into any Leases except for any Lease permitted by Beneficiary in writing.

**15.3. Beneficiary Not Liable.** Beneficiary does not assume and shall not be liable for any obligation of the lessor under any of the Leases and all such obligations shall continue to rest upon Grantor as though this assignment had not been made. Neither the assignment of the Leases and Rents nor the exercise by Beneficiary of any of its rights or remedies hereunder or in connection herewith, prior to Beneficiary obtaining actual possession of the Property, shall constitute Beneficiary a “mortgagee in possession” or otherwise make Beneficiary responsible or liable in any manner with respect to the Property or the occupancy, operation or use thereof.

**15.4. Beneficiary’s Rights to Collect Rents.** In addition to the other remedies available to Beneficiary, Beneficiary shall have the right at any time, if an Event of Default has occurred, to collect and receive the Rents for so long as such Event of Default is continuing and uncured. Beneficiary’s right to collect Rents under this Section 15.4 shall terminate upon cure of the Event Default that resulted in Beneficiary exercising its rights hereunder, provided that the foregoing shall not be interpreted as precluding Beneficiary from exercising its right to collect Rents in the event of any subsequent Event of Default. For this purpose, Beneficiary is hereby given and granted all rights, powers and authority to (a) send notices to any and all tenants of the Property advising them of the assignment and directing all Rents to be paid directly to Beneficiary or Beneficiary’s agent; (b) enter upon and take possession of the Property; demand, collect and receive from the tenants or from any other Persons liable therefor, all of the Rents; institute and carry on all legal proceedings necessary for the protection of the Property, including such proceedings as may be necessary to recover possession of the Property; and collect the Rents and remove any tenant or tenants or other Persons from the Property; (c) enter upon the Property to maintain the Property and keep the same in repair; to pay the costs thereof and of all services of all employees, including their equipment, and of all continuing costs and expenses of maintaining the Property in proper repair and condition, and also to pay all taxes, assessments and water utilities, and the premiums on fire and other insurance effected by Beneficiary on the Property; (d) do any and all things to execute and comply with applicable state laws and all other laws, rules, orders, ordinances and requirements of all other governmental agencies affecting the Property; (e) rent or lease the whole or any part of the Property for such term or terms and on such conditions as Beneficiary may deem appropriate; (f) engage such agent or agents as Beneficiary may deem appropriate, either in Beneficiary’s name or in Grantor’s name, to rent and manage the Property, including the collection and application of Rents; and (g) do all such other things and acts with respect to the Property as Beneficiary may deem appropriate and may act exclusively and solely in the place and stead of Grantor and to have all of the powers of Grantor for the purposes stated above. Beneficiary shall not be required to do any of the foregoing acts or things, and the fact that Beneficiary shall have performed one or more of the foregoing acts or things shall not require Beneficiary to do any other specific act or thing.

**15.5. Application of Rents.** All costs and expenses incurred by Beneficiary in connection with the exercise of Beneficiary’s rights pursuant to Section 15.4, shall be for

Grantor's account and Beneficiary may pay such costs and expenses from the Rents. Beneficiary, in its sole discretion, shall determine the application of any and all Rents received by it; however, any such Rents received by Beneficiary which are not applied to such costs and expenses shall be applied to the Indebtedness. All expenditures made by Beneficiary and not reimbursed from the Rents shall become a part of the Indebtedness secured by this Deed of Trust, and shall be payable on demand, with interest accruing at the highest rate of interest then applicable to the Indebtedness from date of expenditure until paid.

**16. FURTHER ASSURANCES; ATTORNEY-IN-FACT.**

**16.1. Further Assurances.** At any time, and from time to time, upon request of Beneficiary, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Beneficiary or to Beneficiary's designee, and when requested by Beneficiary, cause to be filed, recorded, refiled or rerecorded, as the case may be, at such times and in such offices and places as Beneficiary may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates and other documents as may, in the reasonable opinion of Beneficiary, be necessary or desirable in order to effectuate, complete, perfect, continue or preserve (a) the obligations of Grantor under this Deed of Trust and the QALICB Indemnification Agreement and (b) the liens and security interests created by this Deed of Trust on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or agreed to the contrary by Beneficiary in writing, Grantor shall reimburse Beneficiary for all costs and expenses incurred in connection with the matters referred to in this Section 16.1.

**16.2. Attorney-in-Fact.** If Grantor fails to do any of the things referred to in Section 16.1, and such failure remains uncured for more than thirty (30) days following notice of such failure from Beneficiary to Grantor, then Beneficiary may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Beneficiary as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Beneficiary's reasonable opinion, to accomplish the matters referred to in Section 16.1. This power of attorney is irrevocable and is coupled with an interest.

**17. FULL PERFORMANCE.** If Grantor pays all the Indebtedness when due, terminates the availability of advances, and Grantor otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Beneficiary shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Beneficiary's security interest in the Rents and the Personal Property. Grantor shall pay Beneficiary a reasonable reconveyance fee for said reconveyance. The grantee in any such reconveyance may be described as the "person or persons legally entitled thereto."

**18. RIGHTS AND REMEDIES ON DEFAULT.** Upon the occurrence of any Event of Default and at any time during the continuation thereof, Trustee or Beneficiary, at either party's

option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

**18.1. Event of Default under the Leases.** Beneficiary shall have the right, but not the obligation, to (a) be recognized as the lessee under any Lease or (b) designate a third party as the lessee under such Lease.

**18.2. Foreclosure.** With respect to all or any part of the Real Property, or any of Grantor's interest in the Real Property, the Trustee and Beneficiary shall have the right to foreclose by notice and sale or advertisement and sale, and to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law. If this Deed of Trust is foreclosed (whether by judicial foreclosure or otherwise), Beneficiary will, to the fullest extent permitted by applicable law, be entitled to a judgment which will provide that, if the foreclosure sale proceeds are insufficient to satisfy the judgment, execution may issue for the amount of the unpaid balance of the judgment.

**18.3. UCC Remedies.** With respect to all or any part of the Personal Property, Beneficiary shall have all the rights and remedies of a secured party under the Uniform Commercial Code, including, without limitation, the right to recover any deficiency in the manner and to the full extent provided by applicable law.

**18.4. Collect Rents.** Beneficiary shall have the right, without notice to Grantor, to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Beneficiary's costs, against the Indebtedness. In furtherance of this right, Beneficiary may require any tenant or other user of the Property to make payments of rent or use fees directly to Beneficiary. If the Rents are collected by Beneficiary, then Grantor irrevocably designates Beneficiary as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. This power of attorney is irrevocable and is coupled with an interest. Payments by tenants or other users to Beneficiary in response to Beneficiary's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Beneficiary may exercise its rights under this Section 18.4 either in person, by agent or through a receiver.

**18.5. Appoint Receiver.** Beneficiary shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding foreclosure or sale and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Beneficiary's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Beneficiary shall not disqualify a Person from serving as a receiver.

**18.6. Tenancy at Sufferance.** If Beneficiary becomes entitled to possession of Grantor's interest in the Property upon default of Grantor, Grantor shall become a tenant at

sufferance of Beneficiary and shall, at Beneficiary's option, either (a) pay a reasonable rental for the use of the Property or (b) vacate the Property immediately upon the demand of Beneficiary.

**18.7. Other Remedies.** Trustee or Beneficiary shall have any other right or remedy provided in this Deed of Trust, the QALICB Indemnification Agreement, or by law, including, without limitation, the right to take possession of the Property and to take any and all actions necessary to complete construction of the Improvements.

**18.8. Sale of the Property.** To the extent permitted by applicable law, Grantor hereby waives any and all rights to have Grantor's interest in the Property marshalled. In exercising its rights and remedies, the Trustee or Beneficiary shall be free to sell all or any part of the Grantor's interest in the Property together or separately, in one sale or by separate sales. Beneficiary shall be entitled to bid at any public sale on all or any portion of the Grantor's interest in the Property.

**18.9. Waiver; Election of Remedies.** A waiver by any party of a breach of a provision of this Deed of Trust shall not constitute a waiver of or prejudice the party's rights otherwise to demand strict compliance with that provision or any other provision. Election by Beneficiary to pursue any remedy provided in this Deed of Trust, the QALICB Indemnification Agreement or provided by law shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust after failure of Grantor to perform shall not affect Beneficiary's right to declare a default and to exercise any of its remedies.

**18.10. Attorney Fees; Expenses.** Whether or not any court action is involved, the first one hundred twenty-five thousand dollars (\$125,000.00 USD) of reasonable expenses incurred by Beneficiary which in Beneficiary's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the highest rate of interest then applicable to a Note from the date of expenditure until repaid. Expenses covered by this Section 18.10 include, without limitation, however subject to any limits under applicable law, Beneficiary's reasonable attorney fees whether or not there is a lawsuit, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, appraisal fees, title insurance and fees for the Trustee, to the extent permitted by applicable law. Without limiting the foregoing, if any suit or action is commenced to construe or to enforce any of the terms of this Deed of Trust, Beneficiary shall be entitled to recover such sums as the court may adjudge reasonable as attorney fees.

**18.11. Rights of Trustee.** Trustee shall have all of the rights and duties of Beneficiary as set forth in this Section 18.

## **19. POWERS AND OBLIGATIONS OF TRUSTEE.**

**19.1. Powers of Trustee.** In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Beneficiary and Grantor: (a) to join in preparing and filing a map or plat of



the Real Property, including the dedication of streets or other rights to the public; (b) to join in granting any easement or creating any restriction on the Real Property; and (c) to join in any subordination or other agreement affecting this Deed of Trust or the interest of Beneficiary under this Deed of Trust.

19.2. **Obligation to Notify.** Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party, unless the action or proceeding is brought by Trustee.

19.3. **Trustee.** Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, Trustee shall have the right to foreclose by notice and sale, and Beneficiary shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

19.4. **Successor Trustee.** Beneficiary, at Beneficiary's option, may from time to time appoint a successor trustee to any Trustee appointed hereunder in accordance with the requirements of applicable law. The successor trustee, without conveyance of the Property, shall succeed to all the title, power and duties conferred upon the Trustee in this Deed of Trust and by applicable law.

20. **NOTICES TO GRANTOR AND OTHER PARTIES.** Any notice under this Deed of Trust shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective when deposited in the United States mail first class, certified or registered mail, postage prepaid, directed to the addresses shown on Exhibit B hereto. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address.

21. **ANTI-DEFICIENCY WAIVERS.** To the fullest extent permitted by applicable law, Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Beneficiary from bringing any action against Grantor, including a claim for deficiency to the extent Beneficiary is otherwise entitled to a claim for deficiency, before or after Beneficiary's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

22. **MISCELLANEOUS PROVISIONS.**

22.1. **Amendments.** This Deed of Trust constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

22.2. **Applicable Law.** This Deed of Trust shall be governed by, construed and enforced in accordance with the laws of the State of Oregon. The QALICB Indemnification Agreement and this Deed of Trust (which secures Beneficiary's obligations under the QALICB

Indemnification Agreement) have been approved and made in the State of Oregon. **IF THERE IS A LAWSUIT, GRANTOR, AT BENEFICIARY'S OPTION, AGREES TO SUBMIT TO THE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN OR HAVING JURISDICTION OVER KLAMATH COUNTY, OREGON, AND GRANTOR AND BENEFICIARY AGREE THAT ANY ACTION, SUIT OR PROCEEDING TO ENFORCE THIS DEED OF TRUST SHALL BE BROUGHT IN SUCH FEDERAL OR STATE COURT. Nothing contained herein should be deemed to affect the parties' right to remove to any United States Federal District Court within the District of Oregon.**

**22.3. Waiver of Jury Trial.** TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, GRANTOR HEREBY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS DEED OF TRUST OR THE QALICB INDEMNIFICATION AGREEMENT, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE INDEBTEDNESS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. GRANTOR ACKNOWLEDGES AND AGREES THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

**22.4. Caption Headings.** Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

**22.5. Assignments and Participations.** Beneficiary may at any time sell, assign, transfer, negotiate, grant participations in or otherwise dispose of, to any one or more other lenders all or any part of the Indebtedness of Grantor at any time outstanding under this Deed of Trust or the QALICB Indemnification Agreement and in connection therewith disclose any information Beneficiary may have concerning Grantor.

**22.6. Merger.** There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Beneficiary in any capacity, without the written consent of Beneficiary, which consent shall not be unreasonably conditioned, withheld, or delayed.

**22.7. Severability.** If a court of competent jurisdiction finds any provision of this Deed of Trust to be invalid or unenforceable as to any Person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other Persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Deed of Trust in all other respects shall remain valid and enforceable.

**22.8. Successors and Assigns.** Subject to the limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a Person other than Grantor, Beneficiary, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Indebtedness by way of forbearance or

extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

22.9. **Time Is of the Essence.** Time is of the essence in the performance of this Deed of Trust.

22.10. **Waivers and Consents.** Beneficiary shall not be deemed to have waived any rights under this Deed of Trust (or under the QALICB Indemnification Agreement) unless such waiver is in writing and signed by Beneficiary. No delay or omission on the part of Beneficiary in exercising any right shall operate as a waiver of such right or any other right. A waiver by any party of a provision of this Deed of Trust shall not constitute a waiver of or prejudice the party's right otherwise to demand strict compliance with that provision or any other provision. No prior waiver by Beneficiary, nor any course of dealing between Beneficiary and Grantor, shall constitute a waiver of any of Beneficiary's rights or any of Grantor's obligations as to any future transactions. Whenever consent by Beneficiary is required in this Deed of Trust, such consent shall not be unreasonably withheld, conditioned, or delayed and the granting of such consent by Beneficiary in any instance shall not constitute continuing consent to subsequent instances where such consent is required.

22.11. [Reserved.]

23. **COMMERCIAL PROPERTY.** The Property is used exclusively for business or commercial purposes. This Deed of Trust is not a residential trust deed.

#### STATUTORY NOTICE

**BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING THE INTEREST SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.305. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING THE INTEREST TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED UNIT OF LAND, AS DEFINED IN ORS 92.010, OR IS A LAWFULLY ESTABLISHED PARCEL, AS DEFINED IN ORS 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.305.**

*[Remainder of Page Intentionally Left Blank]*

*[Signature and Notary Page Follows]*

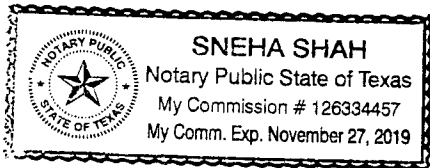
GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS  
DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

OLD MILL SOLAR, LLC,  
an Oregon limited liability company

By: Tom Broad  
Name: TOM BROAD  
Title: VICE PRESIDENT  
ENGINEERING & CONSTRUCTION

STATE OF Texas )  
COUNTY OF Harris ) ss.

This instrument was acknowledged before me on this 21 day of April,  
2016, by Tom Broad, as Vice President of OLD MILL SOLAR, LLC an  
Oregon limited liability company.



Sneha Shah  
Notary Public for the State of Texas  
My commission expires: Nov 27, 2019

**EXHIBIT A**  
**Legal Description**

Parcels 1 and 2 of Land Partition 05-10 in Section 34, Township 36 south, Range 14 East of the Willamette Meridian, Klamath County Oregon, recorded July 30, 2010 in 2010-009053, Records of Klamath County, Oregon.

Together with an easement for ingress and egress as described in Easement recorded June 10, 2010 in Instrument No. 2010-007082 and re-recorded May 22, 2015 in Instrument No. 2015-005234 and corrected March 11, 2016 in Instrument No. 2016-002685, Klamath County Records

ALSO Together with a Right of Way Easement as described in Instrument No. 2016-002685, Klamath County Records

**EXHIBIT B**  
**Notice Addresses**

Grantor: Old Mill Solar, LLC  
700 Universe Blvd  
Juno Beach, Florida 33408  
Attn: Matthew S. Handel  
Fax (561) 691-7307

Beneficiary: Assured Guaranty Corp.  
31 West 52nd Street  
New York, NY 10019  
Attention: Structured Surveillance Department  
Facsimile (212) 339-3518

## **EXHIBIT C**

A ground-mounted, single-axis tracking solar installation with 21,964 Canadian Solar CS6X-310P modules and five Power Electronics FS1003CU inverters as more generally described in that certain appraisal report titled "A Fair Market Valuation of Old Mill Solar Development 6,808 kW DC System Bly, Oregon" dated April 15, 2016 and that certain Power Purchase Agreement between Old Mill Solar, LLC and PacifiCorp dated March 31, 2015.