

2020-008630

Klamath County, Oregon

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Fee: \$197.00

Recording Requested By,
And After Recording, Return To:
Paul J. McNamara
McGuireWoods LLP
300 N. Third Street, Suite 320
Wilmington, NC 28401

Tax Account No:

~~2009-003BC-01100~~ ~~2009-003CB-00100~~ /

~~2009-003CB-00300~~ 768217, 768235, 768244, 527335

LINE OF CREDIT INSTRUMENT

Maximum Principal Amount to be Advanced: \$254,700,000.00

Final Maturity Date (exclusive of any option
to renew or extend): July 14, 2025

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

THIS OREGON TRUST DEED, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING (this "Trust Deed") dated as of July 14, 2020, is given by LITHIA REAL ESTATE, INC., an Oregon corporation, having an address at 150 North Bartlett Street, Medford, Oregon 97501, Attention: Tina Miller, Chief Financial Officer, and RFA HOLDINGS, LLC, an Oregon limited liability company, having an address at 150 North Bartlett Street, Medford, Oregon 97501, Attention: Tina Miller, Chief Financial Officer (individually and collectively, "Trustor"), to TRSTE, INC., a Virginia corporation, to be indexed as grantee and trustee ("Trustee"), for the benefit of WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, in its capacity as Administrative Agent ("Administrative Agent," which term shall include each of its successors and assigns in such capacity), for the Secured Parties (as defined in the Credit Agreement (as defined below)), as beneficiary, whose address for all purposes hereunder is Wells Fargo Bank, National Association, MAC D1109-019, 1525 West W.T. Harris Blvd., Charlotte, NC 28262 Attention of: Syndication Agency Services. All capitalized terms used but not otherwise defined herein shall have the respective meanings assigned thereto in the Credit Agreement. References to this "Trust Deed" shall mean this instrument as amended, modified, restated, supplemented and extended from time to time. All references in this Trust Deed to actions being taken by Administrative Agent, security interests being granted in favor of Administrative Agent, and documents delivered to Administrative Agent shall mean Administrative Agent, on behalf of and for the benefit of all Secured Parties.

WHEREAS, Trustor desires to secure the payment and performance of the Obligations under the Credit Agreement and the other Loan Documents; and

WHEREAS, this Trust Deed is given pursuant to the Credit Agreement, and payment, fulfillment, and performance by Trustor of its obligations thereunder and under the other Loan Documents are secured hereby, and each and every term and provision of the Credit Agreement, including the rights, remedies, obligations, covenants, conditions, agreements, indemnities, representations and warranties of the parties therein, are hereby incorporated by reference herein as though set forth in full and shall be considered a part of this Trust Deed.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, Trustor, Trustee and the Administrative Agent mutually covenant and agree as follows:

The foregoing recitals are true and correct and are incorporated herein as if set forth at length.

ARTICLE I. GRANT IN TRUST

1.1 Grant. For the purposes and upon the terms and conditions in this Trust Deed, Trustor irrevocably bargains, sells, gives, grants, conveys and assigns to Trustee, in trust for the benefit of Administrative Agent and its successors and assigns, with power of sale and right of entry and possession, Trustor's interest in the following now owned or hereafter acquired: (a) all real property described on Exhibit A attached hereto (the "Real Property"); (b) all easements, rights-of-way and rights used in connection with or as a means of access to any portion of said Real Property; (c) all tenements, hereditaments and appurtenances relating to or that benefit the Real Property; (d) all right, title and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining said Real Property, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with said Real Property; (e) all buildings, improvements and fixtures (other than trade fixtures) now or hereafter built on or in, or affixed to, said Real Property; (f) to the extent assignable, all development rights, governmental or quasi-governmental licenses, permits or approvals, zoning rights and other similar rights or interests which relate to the development of, or are appurtenant to, said Real Property; (g) to the extent assignable, all mineral rights, oil and gas rights, air rights, water or water rights, including without limitation, all wells, canals, ditches and reservoirs of any nature and all rights thereto, appurtenant to or associated with said Real Property, whether decreed or undeclared, tributary or non-tributary, surface or underground, appropriated or unappropriated, and all well permits, water service contracts, drainage rights and other evidences of any such rights; (h) all leases and rental agreements relating to the use or occupancy of any said Real Property, whether existing as of the date hereof or at any time hereafter entered into, together with all guarantees of and security for any tenant's or lessee's performance thereunder, and all amendments, extensions, renewals and modifications thereto (each, a "Lease" and collectively, the "Leases"), together with any and all other rents, income, receipts, revenues, issues, profits and other income of any nature now or hereafter due (including any income of any nature coming due during any redemption period) under the Leases or from or arising out of said Real Property including minimum rents, additional rents, percentage rents, parking or common area maintenance contributions, tax and insurance contributions, deficiency rents, forfeitures or liquidated damages following default in any Lease, all proceeds payable as a result of exercise of any option to purchase said Real Property, all proceeds derived from the termination or rejection of any Lease in a bankruptcy or other insolvency proceeding, and all proceeds from any rights and claims of any kind that Trustor may have against any tenant under the Leases or any occupants of said Real Property (all of the above are hereafter collectively referred to as the "Rents"); (i) all proceeds in respect of the Real Property under any insurance policies covering the Real Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments or settlements made in lieu thereof, for damage to the Real Property; (j) all interest or estate which Trustor now has or may hereafter acquire in said Real Property and all additions and accretions thereto; and (k) to the extent assignable, all awards or payments made for the taking of all or any portion of said Real Property by eminent domain or any proceeding or purchase in lieu thereof, or any damage to any portion of said Real Property, and all proceeds of any of the foregoing (all such property and related rights described in clauses (a) through (k) in this Section 1.1 are hereinafter individually and collectively referred to as the "Subject Property"). The listing of specific rights or property shall not be interpreted as a limitation of general terms.

This Deed of Trust shall constitute a security agreement under the Oregon Uniform Commercial Code between Trustor as debtor and Administrative Agent as secured party. Trustor grants a security

interest to Administrative Agent for the benefit of Secured Parties in any of the Subject Property that is fixtures or personal property, including without limitation Rents and any contract rights under the Leases.

1.2 Address. The address of the Subject Property is set forth on Exhibit A. Neither the failure to designate an address nor any inaccuracy in the address designated shall affect the validity or priority of the lien of this Trust Deed on the Subject Property as described on Exhibit A. In the event of any conflict between the provisions of Exhibit A and said address, Exhibit A shall control.

ARTICLE II. OBLIGATIONS SECURED

2.1 Obligations Secured. Trustor makes this grant and assignment for the purpose of securing the Obligations along with the following other obligations (each, a "Secured Obligation" and collectively, the "Secured Obligations"):

(a) payment of all sums at any time owing and performance of all other obligations arising under or in connection with that certain Credit Agreement dated as of July 14, 2020 (as amended, restated, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement") among Lithia Motors, Inc. (the "Parent"), Trustor and certain of its subsidiaries and affiliates, as borrowers, the lenders from time to time party thereto and Administrative Agent, together with the payment and performance of any other indebtedness or obligations incurred in connection with the credit accommodations evidenced by the Credit Agreement and the other Loan Documents whether or not specifically referenced therein or any other Loan Document;

(b) payment and performance of all obligations of Trustor under this Trust Deed, together with all advances, payments or other expenditures made by Trustee, Administrative Agent or any Secured Party as or for the payment or performance of any such obligations of Trustor;

(c) payment and performance of all future advances, revolving credit advances and amounts, and other obligations that the then record owner of the Subject Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Secured Parties, when any such advance or other obligation is evidenced by a writing which recites that it is secured by this Trust Deed; and

(d) all modifications, extensions and renewals of any of the Secured Obligations (including without limitation, (i) modifications, extensions or renewals at a different rate of interest, or (ii) deferrals or accelerations of the required principal payment dates or interest payment dates or both, in whole or in part), however evidenced, whether or not any such modification, extension or renewal is evidenced by a new or additional promissory note or notes.

2.2 Obligations. The term "obligations" as used herein shall (a) have the meaning given the term "Obligations" in the Credit Agreement and (b) include, in addition thereto, all other obligations of Trustor arising under each Loan Document.

2.3 Notice of Secured Obligations. All persons who may have or acquire an interest in the Subject Property are hereby deemed to have notice of the terms of the Secured Obligations and to have notice, if provided therein, that: (a) the Credit Agreement or any other Secured Obligation may permit borrowing, repayment and reborrowing; and (b) the rate of interest on one or more of the Secured Obligations may vary from time to time. Funds may be advanced by any Secured Party, repaid by Trustor and subsequently readvanced by any Secured Party. Absent Default or Event of Default (each, as defined in the Credit Agreement), all advances thereunder by any Secured Party are obligatory and are secured by this Trust

Deed. All such obligatory advances shall have the same priority as the funds initially advanced under any such Secured Obligation.

ARTICLE III. ASSIGNMENT OF LEASES AND RENTS

3.1 Assignment. For the purposes and upon the terms and conditions set forth herein, Trustor irrevocably assigns to Administrative Agent for the benefit of the Secured Parties all of Trustor's right, title and interest, now owned or hereafter acquired in, to and under all Leases and Rents. This assignment shall not impose upon Administrative Agent any duty to produce Rents from the Subject Property, nor cause Administrative Agent to be: (a) a "mortgagee in possession" for any purpose; (b) responsible for performing any of the obligations of the lessor or landlord under any Lease; or (c) responsible for any waste committed by any person or entity at any time in possession of the Subject Property or any part thereof, or for any dangerous or defective condition of the Subject Property, or for any negligence in the management, upkeep, repair or control of the Subject Property. This is an absolute assignment, not an assignment for security only, and Administrative Agent's right to Rents is not contingent upon and may be exercised without taking possession of the Subject Property. Trustor agrees to execute and deliver to Administrative Agent, within five (5) days after receipt of Administrative Agent's written request, such additional documents as Administrative Agent or Trustee may reasonably request to further evidence the assignment to Administrative Agent for the benefit of the Secured Parties of any and all Leases and Rents. Administrative Agent or Trustee, at Administrative Agent's option and without notice, may notify any lessee or tenant of this assignment of the Leases and Rents.

3.2 Protection of Security. To protect the security of this assignment, Trustor agrees:

(a) At Trustor's sole cost and expense: (i) to perform each obligation to be performed by the lessor or landlord under each Lease and to enforce or secure the performance of each obligation to be performed by the lessee or tenant under each Lease; (ii) except as expressly permitted by the provisions of the Credit Agreement, not to materially modify any Lease, nor accept surrender under or terminate the term of any Lease; (iii) not to accelerate the Rents under any Lease (i.e. not to accept payment of any Rents more than one month in advance); and (iv) not to waive or release any lessee or tenant of or from any Lease obligations. Trustor assigns to Administrative Agent all of Trustor's right and power to materially modify the terms of any Lease, to accept a surrender under or terminate the term of or accelerate the Rents under any Lease, and to waive or release any lessee or tenant of or from any Lease obligations, and any attempt on the part of Trustor to exercise any such rights or powers without Administrative Agent's prior written consent shall be a breach of the terms hereof.

(b) At Trustor's sole cost and expense, to defend any action in any manner connected with any Lease or the obligations thereunder, and to pay all costs of Administrative Agent or Trustee, including reasonable attorneys' fees, in any such action in which Administrative Agent or Trustee may appear.

(c) That, should Trustor fail to do any act required to be done by Trustor under a Lease, then Administrative Agent or Trustee, but without obligation to do so and without notice to Trustor and without releasing Trustor from any obligation hereunder, may make or do the same in such manner and to such extent as Administrative Agent or Trustee deems necessary to protect the security hereof, and, in exercising such powers, Administrative Agent or Trustee may employ attorneys and other agents, and Trustor shall pay necessary costs and reasonable attorneys' fees incurred by Administrative Agent or Trustee, or their agents, in the exercise of the powers granted herein. Trustor shall give prompt notice to Administrative Agent of any default by any lessee or tenant under any Lease, and of any notice of default on the part of

Trustor under any Lease received from a lessee or tenant thereunder, together with an accurate and complete copy thereof.

(d) To pay to Administrative Agent immediately upon demand all sums expended under the authority hereof, including reasonable attorneys' fees, together with interest thereon at the Default Rate, and the same, at Administrative Agent's option, may be added to any Secured Obligation and shall be secured hereby.

3.3 License. So long as no Event of Default exists, Trustor shall have a license ("License") to collect and retain the Rents as, but not before, they come due and payable. At any time that an Event of Default exists, the License shall be automatically revoked by Administrative Agent, and Administrative Agent or Trustee may, at Administrative Agent's option and without further notice, either in person or by agent, with or without bringing any action, or by a receiver to be appointed by a court: (a) enter, take possession of, manage and operate the Subject Property or any part thereof; (b) make, cancel, enforce or modify any Lease, to the extent permitted under such Lease; (c) obtain and evict tenants, fix or modify Rents, and do any acts which Administrative Agent or Trustee deems proper to protect the security hereof, to the extent permitted by such Leases; and (d) either with or without taking possession of the Subject Property, in its own name, sue for or otherwise collect and receive all Rents due, including those past due and unpaid, and apply the same in accordance with the provisions of this Trust Deed. The entering and taking possession of the Subject Property, the collection of Rents and the application thereof as aforesaid, shall not cure or waive any Event of Default, nor waive, modify or affect any notice of default hereunder, nor invalidate any act done pursuant to any such notice. The License shall not grant to Administrative Agent or Trustee the right to possession, except as provided in this Trust Deed.

ARTICLE IV. RIGHTS AND DUTIES OF THE PARTIES

4.1 Title. Trustor warrants that, except as disclosed to, and approved by, Administrative Agent prior to the date hereof in a writing which refers to this warranty and except for exceptions set forth in the policy of title insurance being obtained and approved by Administrative Agent in connection with this Trust Deed, Trustor lawfully possesses and holds fee simple title to the Subject Property without limitation on the right to encumber, as herein provided, and that this Trust Deed is a valid lien on the Subject Property and all of Trustor's interest therein.

4.2 Intentionally Deleted.

4.3 Intentionally Deleted.

4.4 Intentionally Deleted.

4.5 Intentionally Deleted.

4.6 Tax and Insurance Impounds. During the continuance of an Event of Default, at Administrative Agent's option and upon its demand, Trustor shall, until such Event of Default has been waived in accordance with the terms of the Credit Agreement, pay to Administrative Agent monthly, annually or as otherwise directed by Administrative Agent an amount estimated by Administrative Agent to be equal to: (a) all taxes, assessments, levies and charges imposed by any public or quasi-public authority or utility company which are or may become a lien upon the Subject Property and will become due for the tax year during which such payment is so directed; and (b) premiums for fire, other hazard and mortgage insurance next due. If Administrative Agent determines that amounts paid by Trustor are insufficient for the payment

in full of such taxes, assessments, levies and/or insurance premiums, Administrative Agent shall notify Trustor of the increased amount required for the payment thereof when due, and Trustor shall pay to Administrative Agent such additional amount within thirty (30) days after receipt of notice from Administrative Agent. All amounts so paid shall not bear interest, except to the extent and in the amount required by law. Administrative Agent shall apply said amounts to the payment of, or at Administrative Agent's sole option, release said funds to Trustor for application to and payment of, such taxes, assessments, levies, charges and insurance premiums. Trustor hereby grants and transfers to Administrative Agent for the benefit of the Secured Parties a security interest in all amounts so paid and held in Administrative Agent's possession, and all proceeds thereof, to secure the payment and performance of each Secured Obligation. Upon assignment of this Trust Deed, Administrative Agent shall have the right to assign all amounts collected and in its possession to its assignee, whereupon Administrative Agent and Trustee shall be released from all liability with respect thereto. The existence of said impounds shall not limit Administrative Agent's rights under any other provision of this Trust Deed or any other agreement, statute or rule of law. Within ninety-five (95) days following full repayment of all Secured Obligations (other than as a consequence of a foreclosure or conveyance in lieu of foreclosure of the liens and security interests securing any Secured Obligation), or at such earlier time as Administrative Agent in its discretion may elect, the balance of all amounts collected and in Administrative Agent's possession shall be paid to Trustor, and no other party shall have any right of claim thereto.

4.7 Damages; Insurance and Condemnation Proceeds.

(a) (i) All awards of damages and all other compensation payable directly or indirectly by reason of a condemnation or proposed condemnation (or transfer in lieu thereof) for public or private use affecting the Subject Property; (ii) all other claims and awards for damages to or decrease in value of the Subject Property; (iii) all proceeds of any insurance policies payable by reason of loss sustained to the Subject Property; and (iv) all interest which may accrue on any of the foregoing, are all absolutely and irrevocably assigned to and shall be paid to Administrative Agent. At the absolute discretion of Administrative Agent, whether or not its security is or may be impaired, but subject to applicable law if any, and without regard to any requirement contained in any other Section hereof, Administrative Agent may apply all or any of the proceeds it receives to its expenses in settling, prosecuting or defending any such claim and apply the balance to the Secured Obligations in any order, and release all or any part of the proceeds to Trustor upon any conditions Administrative Agent may impose. Administrative Agent may commence, appear in, defend or prosecute any assigned claim or action, and may, while an Event of Default exists, adjust, compromise, settle and collect all claims and awards assigned to Administrative Agent; provided however, that in no event shall Administrative Agent be responsible for any failure to collect any claim or award, regardless of the cause of the failure.

(b) Except as otherwise provided for in the Credit Agreement, at its sole option, Administrative Agent may permit insurance or condemnation proceeds held by Administrative Agent to be used for repair or restoration, but may impose any conditions on such use as Administrative Agent deems necessary.

4.8 Intentionally Deleted.

4.9 Intentionally Deleted.

4.10 Protection of Security. Trustor shall, at Trustor's sole expense: (a) protect, preserve and defend the Subject Property and Trustor's title and right to possession of the Subject Property against all adverse claims and (b) protect, preserve and defend the security of this Trust Deed and the rights and powers of Administrative Agent and Trustee under this Trust Deed against all adverse claims. Trustor shall give Administrative Agent and Trustee prompt notice in writing of the assertion of any claim, the filing of

any action or proceeding, or the occurrence of any damage, condemnation offer or other action relating to or affecting the Subject Property.

4.11 Acceptance of Trust; Powers and Duties of Trustee. Trustee accepts this trust when this Trust Deed is executed. From time to time, upon written request of Administrative Agent and, to the extent required by applicable law presentation of this Trust Deed for endorsement, and without affecting the personal liability of any person for payment of any indebtedness or performance of any of the Secured Obligations, Administrative Agent, or Trustee at Administrative Agent's direction, may, without obligation to do so or liability therefor and without notice: (a) reconvey all or any part of the Subject Property from the lien of this Trust Deed; (b) consent to the making of any map or plat of the Subject Property; and (c) join in any grant of easement or declaration of covenants and restrictions with respect to the Subject Property, or any extension agreement or any agreement subordinating the lien or charge of this Trust Deed. Trustee or Administrative Agent may from time to time apply to any court of competent jurisdiction for aid and direction in the execution of the trusts and the enforcement of its rights and remedies available under this Trust Deed, and may obtain orders or decrees directing, confirming or approving acts in the execution of said trusts and the enforcement of said rights and remedies. Trustee has no obligation to notify any party of any pending sale or any action or proceeding (including, but not limited to, actions in which Trustor, Administrative Agent or Trustee shall be a party) unless held or commenced and maintained by Trustee under this Trust Deed. Trustee shall not be obligated to perform any act required of it under this Trust Deed unless the performance of the act is requested in writing and Trustee is reasonably indemnified against all losses, costs, liabilities and expenses in connection therewith.

4.12 Compensation; Exculpation; Indemnification.

(a) Trustor shall pay all Trustee's fees and reimburse Trustee for all expenses in the administration of this trust, including reasonable attorneys' fees. Administrative Agent shall not directly or indirectly be liable to Trustor or any other person as a consequence of: (i) the exercise of any rights, remedies or powers granted to Administrative Agent for the benefit of the Secured Parties in this Trust Deed; (ii) the failure or refusal of Administrative Agent to perform or discharge any obligation or liability of Trustor under this Trust Deed or any Lease or other agreement related to the Subject Property; or (iii) any loss sustained by Trustor or any third party as a result of Administrative Agent's failure to lease the Subject Property or any portion thereof after any Event of Default or from any other act or omission of Administrative Agent in managing the Subject Property or any portion thereof after any Event of Default unless such loss is caused by the willful misconduct or gross negligence of Administrative Agent as determined by a court of competent jurisdiction in a final, non-appealable judgment; and no such liability shall be asserted or enforced against Administrative Agent, and all such liability is hereby expressly waived and released by Trustor.

(b) Without limiting the generality of Section 10.3 of the Credit Agreement, Trustor shall indemnify Trustee, Administrative Agent and each other Secured Party against, and defend and hold them harmless from, any and all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, costs of evidence of title, costs of evidence of value, and other expenses which either may suffer or incur: (i) by reason of this Trust Deed; (ii) by reason of the execution of this Trust Deed or the performance of any act required or permitted hereunder or by law; or (iii) as a result of any failure of Trustor to perform Trustor's obligations, in each case in the manner and to the extent provided in Section 10.3 of the Credit Agreement. Trustor's duty to indemnify and defend Trustee, Administrative Agent and each other Secured Party shall survive the payment, discharge or cancellation of the Secured Obligations and the release or reconveyance, in whole or in part, of this Trust Deed.

(c) Trustor shall pay all indebtedness arising under this Section immediately upon demand by, Trustee or Administrative Agent or any other Secured Party, together with interest thereon from the date such indebtedness arises at the highest rate per annum payable under any Secured Obligation. Such Secured Party may, at its option, add any such indebtedness to any Secured Obligation.

4.13 Substitution of Trustees. From time to time, by a writing signed and acknowledged by Administrative Agent and recorded in each office in which this Trust Deed is recorded, Administrative Agent may appoint another trustee to act in the place and stead of Trustee or any successor. Such writing shall set forth the recordation date and any recording or other information required by law. The recordation of such instrument of substitution shall discharge Trustee herein named and shall appoint the new trustee as the trustee hereunder with the same effect as if originally named Trustee herein. A writing recorded pursuant to the provisions of this Section shall be conclusive proof of the proper substitution of such new Trustee.

4.14 Due on Sale or Encumbrance. Except as expressly permitted by the provisions of the Credit Agreement or applicable law, if the Subject Property or any portion thereof or interest therein shall be sold, transferred, mortgaged, assigned, encumbered, leased or otherwise disposed, whether voluntarily, involuntarily or by operation of law (each of which actions and events is called a "Transfer"), without Administrative Agent's prior written consent, THEN Administrative Agent may, at its sole option, declare all Secured Obligations immediately due and payable in full and pursue all other remedies available to it. Trustor shall notify Administrative Agent in writing of each Transfer within ten (10) Business Days in advance of the date thereof.

4.15 Releases, Extensions, Modifications and Additional Security. Without notice to or the consent, approval or agreement of any persons or entities having any interest at any time in the Subject Property or in any manner obligated under any Secured Obligation (each, an "Interested Party"), Administrative Agent may, from time to time as permitted by the Credit Agreement, release any Interested Party from liability for the payment of any Secured Obligation, take any action or make any agreement extending the maturity or otherwise altering the terms or increasing the amount of any Secured Obligation, accept additional security, and enforce, waive, subordinate or release all or a portion of the Subject Property or any other security for any Secured Obligation. None of the foregoing actions shall release or reduce the personal liability of any Interested Party, nor release or impair the priority of the lien of this Trust Deed upon the Subject Property.

4.16 Reconveyance. Upon Administrative Agent's written request, and solely to the extent required by applicable law upon surrender of this Trust Deed and every note or other instrument setting forth any Secured Obligations to Trustee for cancellation, Trustee shall reconvey, without warranty, the Subject Property, or that portion thereof then covered hereby, from the lien of this Trust Deed. The recitals of any matters or facts in any reconveyance executed hereunder shall be conclusive proof of the truthfulness thereof. To the extent permitted by law, the reconveyance may describe the grantee as "the person or persons legally entitled thereto." Neither Administrative Agent nor Trustee shall have any duty to determine the rights of persons claiming to be rightful grantees of any reconveyance. When the Subject Property has been fully reconveyed, the last such reconveyance shall operate as a reassignment of all future Rents to the person or persons legally entitled thereto. Upon Administrative Agent's demand, Trustor shall pay all costs and expenses incurred by Administrative Agent in connection with any reconveyance.

4.17 Subrogation. Administrative Agent shall be subrogated to the lien of all encumbrances, whether or not released of record, paid in whole or in part by Administrative Agent pursuant to this Trust Deed or by the proceeds of any Secured Obligation.

4.18 Intentionally Omitted.

ARTICLE V. DEFAULT PROVISIONS

5.1 Event of Default. The term "Event of Default" as used in this Trust Deed shall mean (a) any defined Event of Default under any provisions of the Credit Agreement, or (b) any Transfer (as defined in Section 4.14 above) made without Administrative Agent's prior written consent.

5.2 Rights and Remedies. Upon the occurrence and continuance of any Event of Default, and at any time thereafter, Administrative Agent and Trustee shall have all the following rights and remedies:

(a) With or without notice, to declare all Secured Obligations immediately due and payable in full. Upon such declaration, all such Secured Obligations shall immediately become due and payable (as fully and to the same effect as if the date of such declaration were the date originally specified for the full payment or maturity thereof), all without presentment, demand, protest, notice of protest, notice of acceleration or of intention to accelerate or any other notice or declaration of any kind, all of which are hereby expressly waived by Trustor.

(b) With or without notice, without releasing Trustor from any Secured Obligation and without becoming a mortgagee in possession, to cure any Event of Default and, in connection therewith: (i) to enter upon the Subject Property and to do such acts and things as Administrative Agent or Trustee deems necessary or desirable to protect the security of this Trust Deed, including without limitation, to appear in and defend any action or proceeding purporting to affect the security of this Trust Deed or the rights or powers of Administrative Agent or Trustee hereunder; (ii) to pay, purchase, contest or compromise any encumbrance, charge, lien or claim of lien which, in the judgment of Administrative Agent or Trustee, is senior in priority to this Trust Deed, the judgment of either Administrative Agent or Trustee being conclusive as between the parties hereto; (iii) to obtain, and to pay any premiums or charges with respect to, any insurance required to be carried hereunder; and (iv) to employ counsel, accountants, contractors and other appropriate persons to assist them.

(c) To commence and maintain an action or actions in any court of competent jurisdiction to foreclose this Trust Deed as a mortgage or to obtain specific enforcement of the covenants of Trustor under this Trust Deed, and Trustor agrees that such covenants shall be specifically enforceable by injunction or any other appropriate equitable remedy. For the purposes of any suit brought under this subsection, Trustor waives the defenses of laches and any applicable statute of limitations. The power of sale granted herein shall not be exhausted by any sale held hereunder by Trustee or its substitute or successor, and such power of sale may be exercised from time to time and as many times as Agent may deem necessary until all of the Property has been duly sold and all secured indebtedness has been fully paid.

(d) To apply to any court of competent jurisdiction to have a receiver appointed to enter upon and take possession of the Subject Property, collect the Rents therefrom and apply the same as the court may direct, such receiver to have all of the rights and powers permitted under the laws of the State of Oregon. The right of the appointment of such receiver shall be a matter of strict right without regard to the value or the occupancy of the Subject Property or the solvency or insolvency of Trustor. The expenses, including receiver's fees, attorneys' fees, costs and agent's commission incurred pursuant to the powers herein contained, together with interest thereon at the default rate set forth in the Credit Agreement, shall be secured hereby and shall be due and payable by Trustor immediately without notice or demand. Notwithstanding the appointment of any receiver or other custodian, the Administrative Agent shall be entitled as pledgee to the possession and control of any cash or deposits at the time held by, payable, or deliverable under the terms of this Trust Deed to the Administrative Agent, and the Administrative Agent

shall have the right to offset the unpaid Secured Obligations against any such cash or deposits in such order as the Administrative Agent may elect.

(e) To take and possess all documents, books, records, papers and accounts of Trustor or the then owner of the Subject Property; to make or modify Leases of, and other agreements with respect to, the Subject Property upon such terms and conditions as Administrative Agent deems proper; and to make repairs, alterations and improvements to the Subject Property deemed necessary, in Trustee's or Administrative Agent's judgment, to protect or enhance the security hereof.

(f) To execute or cause Trustee to execute a written notice of such Event Default and of its election to cause the Subject Property to be sold to satisfy the Secured Obligations. Trustee shall give and record such notice as the law then requires as a condition precedent to a trustee's sale. When the minimum period of time required by law after such notice has elapsed, Trustee, without notice to or demand upon Trustor, except as otherwise required by law, shall sell the Subject Property at the time and place of sale fixed by it in the notice of sale, at one or several sales, either as a whole or in separate parcels and in such manner and order, all as directed by Administrative Agent in its sole discretion, at public auction to the highest bidder for cash, in lawful money of the United States, payable at the time of sale. Except as required by law, neither Trustor nor any other person or entity shall have the right to direct the order in which the Subject Property is sold. Subject to requirements and limits imposed by law, Trustee may postpone any sale of the Subject Property by public announcement at such time and place of sale, and from time to time may postpone such sale by public announcement at the time and place fixed by the preceding postponement. Trustee shall deliver to the purchaser at such sale a deed conveying the Subject Property or portion thereof so sold, but without any covenant or warranty, express or implied. The recitals in said deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustee, Trustor or Administrative Agent, may purchase at such sale.

(g) To resort to and realize upon the security hereunder and any other security now or later held by Administrative Agent for the benefit of the Secured Parties concurrently or successively and in one or several consolidated or independent judicial actions, to take all actions permitted under Oregon law, and to apply the proceeds received in accordance with Section 5.3, all in such order and manner as Administrative Agent shall determine in its sole discretion.

(h) Upon sale of the Subject Property at any judicial or non-judicial foreclosure, Administrative Agent may credit bid (as determined by Administrative Agent in its sole discretion) all or any portion of the Secured Obligations in accordance with Section 8.6 of the Credit Agreement. In determining such credit bid, Administrative Agent may, but is not obligated to, take into account all or any of the following: (i) appraisals of the Subject Property as such appraisals may be discounted or adjusted by Administrative Agent in its sole underwriting discretion; (ii) expenses and costs incurred by Administrative Agent with respect to the Subject Property prior to foreclosure; (iii) expenses and costs which Administrative Agent anticipates will be incurred with respect to the Subject Property after foreclosure, but prior to resale, including, without limitation, costs of structural reports and other due diligence, costs to carry the Subject Property prior to resale, costs of resale (e.g., commissions, attorneys' fees, and taxes), Hazardous Materials clean-up and monitoring, deferred maintenance, repair, refurbishment and retrofit, and costs of defending or settling litigation affecting the Subject Property; (iv) declining trends in real property values generally and with respect to properties similar to the Subject Property; (v) anticipated discounts upon resale of the Subject Property as a distressed or foreclosed property; (vi) the existence of additional collateral, if any, for the Secured Obligations; and (vii) such other factors or matters that Administrative Agent deems appropriate. Trustor acknowledges and agrees that: (A) Administrative Agent is not required to use any or all of the foregoing factors to determine the amount of its credit bid; (B) this Section does not impose upon Administrative Agent any additional obligations that are not imposed by law at the time the credit bid is

made; (C) the amount of Administrative Agent's credit bid need not have any relation to any loan-to-value ratios specified in any agreement between Trustor and Administrative Agent or previously discussed by Trustor and Administrative Agent; and (D) Administrative Agent's credit bid may be, at its sole discretion, higher or lower than any appraised value of the Subject Property.

(i) In the event of any breach of any of the covenants, agreements, terms or conditions contained in this Trust Deed, and notwithstanding to the contrary any exculpatory or non-recourse language which may be contained herein, Administrative Agent shall be entitled to enjoin such breach and obtain specific performance of any covenant, agreement, term or condition and Administrative Agent shall have the right to invoke any equitable right or remedy as though other remedies were not provided for in this Trust Deed.

5.3 Application of Foreclosure Sale Proceeds. All proceeds of any foreclosure sale shall be applied as set forth in Section 8.4 of the Credit Agreement.

5.4 Application of Other Sums. All Rents or other sums received by Administrative Agent or any agent or receiver hereunder, shall be applied as set forth in Section 8.4 of the Credit Agreement; provided that the Administrative Agent shall have no liability for funds not actually received by the Administrative Agent.

5.5 No Cure or Waiver. Neither Administrative Agent's, Trustee's or any receiver's entry upon and taking possession of the Subject Property, nor any collection of Rents, insurance proceeds, condemnation proceeds or damages, other security or proceeds of other security, or other sums, nor the application of any collected sum to any Secured Obligation, nor the exercise of any other right or remedy by Administrative Agent, Trustee or any receiver shall impair the status of the security of this Trust Deed, or cure or waive any breach, Event of Default or notice of default under this Trust Deed, or nullify the effect of any notice of default or sale (unless all Secured Obligations and any other sums then due hereunder have been paid in full and Trustor has cured all other Events of Default), or prejudice Administrative Agent or Trustee in the exercise of any right or remedy, or be construed as an affirmation by Administrative Agent of any tenancy, lease or option of the Subject Property or a subordination of the lien of this Trust Deed.

5.6 Costs, Expenses and Attorneys' Fees. Trustor agrees to pay to Administrative Agent or Trustee immediately upon demand the full amount of all payments, advances, charges, costs and expenses, including court costs and reasonable attorneys' fees (to include outside counsel fees and all allocated costs of Administrative Agent's in-house counsel), expended or incurred by Trustee or Administrative Agent pursuant to this Article V, whether incurred at the trial or appellate level, in an arbitration proceeding or otherwise, and including any of the foregoing incurred in connection with any bankruptcy proceeding (including without limitation, any adversary proceeding, contested matter or motion brought by Administrative Agent or any other person) relating to Trustor or in any way affecting any of the Subject Property or Administrative Agent's ability to exercise any of its rights or remedies with respect thereto, in each case in accordance with Section 10.3 of the Credit Agreement.

5.7 Power to File Notices and Cure Defaults. Trustor hereby irrevocably appoints Administrative Agent (and all officers, employees or agents designated by Administrative Agent) for the benefit of the Secured Parties as Trustor's true attorney-in-fact to perform any of the following powers, which agency is coupled with an interest: (a) to execute and/or record any notices of completion, cessation of labor, or any other notices that Administrative Agent deems appropriate to protect the Secured Parties' interests; and (b) upon the occurrence and continuance of any event, act or omission which with the giving of notice or the passage of time, or both, would constitute an Event of Default, to perform any obligation of Trustor hereunder; provided that Administrative Agent, as such attorney-in-fact, shall only be accountable for such

funds as are actually received by Administrative Agent, and Administrative Agent shall not be liable to Trustor or any other person or entity for any failure to act under this Section.

5.8 Remedies Cumulative; No Waiver. All rights, powers and remedies of Administrative Agent hereunder are cumulative and are in addition to all rights, powers and remedies provided by law or in any other Loan Document. No delay, failure or discontinuance of Administrative Agent in exercising any right, power or remedy hereunder shall affect or operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any such right, power or remedy preclude, waive or otherwise affect any other or further exercise thereof or the exercise of any other right, power or remedy.

ARTICLE VI. MISCELLANEOUS PROVISIONS

6.1 No Merger. No merger shall occur as a result of any Secured Party's acquiring any other estate in, or any other lien on, the Subject Property unless such Secured Party specifically consents to a merger in writing.

6.2 Execution of Documents. Trustor agrees, upon demand by Administrative Agent or Trustee, to do any act or execute any and all documents and instruments (including, but not limited to, security agreements on any personalty included or to be included in the Secured Obligations and a separate assignment of each Lease in recordable form) reasonably required to effectuate the provisions hereof.

6.3 Right of Inspection. Administrative Agent or its agents or employees may enter onto the Subject Property at any reasonable time upon prior reasonable notice for the purpose of inspecting the Subject Property and ascertaining Trustor's compliance with the terms hereof.

6.4 Notices, Requests for Notice. All notices, requests and demands which Trustor or Administrative Agent is required or may desire to give to the other party must be in writing, delivered in accordance with the terms of the Credit Agreement to Administrative Agent at the following address:

WELLS FARGO BANK, NATIONAL ASSOCIATION
MAC D1109-019
1525 West W.T. Harris Blvd.
Charlotte, NC 28262
Attention of: Syndication Agency Services
Facsimile No.: (844) 879-5899

and to Trustor at its address set forth on the signature page below, with a copy to the Administrative Agent, or, in each case, at such other address as such party shall designate by written notice to the other parties in accordance with the provisions hereof.

6.5 Successors; Assignment. This Trust Deed shall be binding upon and inure to the benefit of the heirs, executors, administrators, legal representatives, successors and assigns of the parties hereto; provided however, that this Section does not waive the provisions of Section 4.14. Each Secured Party reserves the right to sell, assign, transfer, negotiate or grant participations in all or any part of, or any interest in, such Secured Party's rights and benefits under the Credit Agreement, any and all other Secured Obligations, this Trust Deed and any other Loan Document. In connection therewith, such Secured Party may disclose all documents and information which that Secured Party now has or hereafter acquires relating to the Subject Property, all or any of the Secured Obligations and/or Trustor and, as applicable, any partners, joint venturers or members of Trustor, whether furnished by any Trustor or otherwise.

6.6 Rules of Construction. (a) When appropriate based on the identity of the parties or other circumstances, the masculine gender includes the feminine or neuter or both, and the singular number includes the plural; (b) the term "Subject Property" includes all and any part of or interest in the Subject Property; (c) all Section headings herein are for convenience of reference only, are not a part of this Trust Deed, and shall be disregarded in the interpretation of any portion of this Trust Deed; and (d) all terms of Exhibit A, and each other exhibit and/or rider attached hereto and recorded herewith, are hereby incorporated into this Trust Deed by this reference.

6.7 Amendments and Waivers; No Oral Modification. Neither this Trust Deed nor any terms hereof may be amended, supplemented or modified except in accordance with the provisions of Section 10.2 of the Credit Agreement. This Trust Deed may not be changed or terminated orally. Any agreement made by Trustor and Administrative Agent after the date of this Trust Deed relating to this Trust Deed shall be superior to the rights of the holder of any intervening or subordinate lien or encumbrance.

6.8 Severability of Provisions. If any provision of this Trust Deed shall be held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity without invalidating the remainder of such provision or any remaining provisions of this Trust Deed.

6.9 Trustor's Waiver of Rights. To the fullest extent permitted by law, Trustor waives the benefit of all laws now existing or that may subsequently be enacted providing for (i) any appraisal before sale of any portion of the Subject Property, (ii) any extension of the time for the enforcement of the collection of the Secured Obligations or the creation or extension of a period of redemption from any sale made in collecting such debt and (iii) exemption of the Subject Property from attachment, levy or sale under execution or exemption from civil process. To the full extent Trustor may do so, Trustor agrees that Trustor will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, exemption, extension or redemption, or requiring foreclosure of this Trust Deed before exercising any other remedy granted hereunder and Trustor, for Trustor and its successors and assigns, and for any and all persons ever claiming any interest in the Subject Property, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution, notice of election to mature or declare due the whole of the secured indebtedness and marshaling in the event of exercise by Administrative Agent or any other Secured Party of the right to judicially foreclose on the Subject Property or other rights hereby created.

6.10 Recourse to Separate Property. Any married person who executes this Trust Deed as a Trustor and who is obligated under any Secured Obligation agrees that any money judgment which Administrative Agent or Trustee obtains pursuant to the terms of this Trust Deed or any other obligation of that married person secured by this Trust Deed may be collected by execution upon that person's separate property, and any community property of which that person is a manager.

6.11 Intentionally Omitted.

6.12 Governing Law. THE PARTIES AGREE THAT THE STATE OF NEW YORK HAS A SUBSTANTIAL RELATIONSHIP TO THE PARTIES AND TO THE UNDERLYING TRANSACTION EMBODIED BY THIS DEED OF TRUST AND THE CREDIT AGREEMENT, AND IN ALL RESPECTS, THIS DEED OF TRUST AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE, EXCEPT THAT AT ALL TIMES THE PROVISIONS FOR THE CREATION, PERFECTION, AND ENFORCEMENT OF THE LIENS AND SECURITY INTERESTS CREATED PURSUANT HERETO SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAW OF THE STATE OF OREGON, IT BEING

UNDERSTOOD THAT, TO THE FULLEST EXTENT PERMITTED BY THE LAW OF SUCH STATE, THE LAW OF THE STATE OF NEW YORK SHALL GOVERN THE CONSTRUCTION, VALIDITY AND ENFORCEABILITY OF THIS DEED OF TRUST AND ALL OF THE OBLIGATIONS ARISING HEREUNDER. TO THE FULLEST EXTENT PERMITTED BY LAW, TRUSTOR HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVES ANY CLAIM OR RIGHT TO ASSERT THAT THE LAW OF ANY OTHER JURISDICTION GOVERNS THIS DEED OF TRUST, AND THIS DEED OF TRUST SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK PURSUANT TO SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW..

6.13 Intentionally Omitted.

6.14 Multiple Security. If (a) the Subject Property shall consist of one or more parcels, whether or not contiguous and whether or not located in the same county, (b) in addition to this Trust Deed, Administrative Agent shall now or hereafter hold (or have any trustee hold) for the benefit of the Secured Parties or be the beneficiary of one or more additional mortgages, liens, deeds of trust or other security (directly or indirectly) for the Secured Obligations upon other property in the State of Oregon (whether or not such property is owned by Trustor or by others) or (c) both the circumstances described in clauses (a) and (b) shall be true, then to the fullest extent permitted by law, Administrative Agent may, at its election, commence or consolidate in a single trustee's sale or foreclosure action all trustee's sale or foreclosure proceedings against all such collateral securing the Secured Obligations (including the Subject Property), which action may be brought or consolidated in the courts of, or sale conducted in, any county in which any of such collateral is located. Trustor acknowledges that the right to maintain a consolidated trustee's sale or foreclosure action is a specific inducement to Administrative Agent to extend the Secured Obligations, and Trustor expressly and irrevocably waives any objections to the commencement or consolidation of the foreclosure proceedings in a single action and any objections to the laying of venue or based on the grounds of *forum non conveniens* which it may now or hereafter have. Trustor further agrees that if Administrative Agent shall be (or any Trustee shall be, on behalf of Administrative Agent) prosecuting one or more foreclosure or other proceedings against a portion of the Subject Property or against any collateral other than the Subject Property, which collateral directly or indirectly secures the Secured Obligations, or if Administrative Agent shall have (or any Trustee shall have, on behalf of Administrative Agent) obtained a judgment of foreclosure and sale or similar judgment against such collateral, then, whether or not such proceedings are being maintained or judgments were obtained in or outside the State of Oregon, Administrative Agent may commence or continue any foreclosure proceedings and exercise its other remedies granted in this Trust Deed against all or any part of the Subject Property and Trustor waives any objections to the commencement or continuation of a foreclosure of this Trust Deed or exercise of any other remedies hereunder based on such other proceedings or judgments, and waives any right to seek to dismiss, stay, remove, transfer or consolidate either any action under this Trust Deed or such other proceedings on such basis. The commencement or continuation of proceedings to sell the Subject Property, to foreclose this Trust Deed or the exercise of any other rights hereunder or the recovery of any judgment by Administrative Agent or the occurrence of any sale by Administrative Agent in any such proceedings shall not prejudice, limit or preclude Administrative Agent's right to commence or continue one or more foreclosure or other proceedings or obtain a judgment against any other collateral (either in or outside the State of Oregon) which directly or indirectly secures the Secured Obligations, and Trustor expressly waives any objections to the commencement of, continuation of, or entry of a judgment in such other sales or proceedings or exercise of any remedies in such sales or proceedings based upon any action or judgment connected to this Trust Deed, and Trustor also waives any right to seek to dismiss, stay, remove, transfer or consolidate either such other sales or proceedings or any sale or action under this Trust Deed on such basis. It is expressly understood and agreed that to the fullest extent permitted by law, Administrative Agent may, at its election, cause the sale of all collateral which is the subject of a single mortgagee's sale or foreclosure action at either a single sale or at multiple sales conducted simultaneously and take such other measures as are appropriate in order to effect the agreement of the parties to dispose of and administer all collateral securing the Secured Obligations (directly or indirectly) in the most economical and least time-consuming manner.

6.15 Conflicts. In the event of any conflict between the terms and provisions of this Trust Deed and the terms and provisions of the Credit Agreement, the terms and provisions of the Credit Agreement shall govern with respect to the Subject Property.

6.16 Fixture Filing. This Trust Deed constitutes a financing statement filed as a fixture filing under the Oregon Uniform Commercial Code, as amended or recodified from time to time, covering any Subject Property or goods which now is or later may become a fixture attached to the Real Property or any building located thereon and is to be filed for record in the real estate records of the county where the Subject Property is situated. The real property to which the fixtures relate is described on Exhibit A attached hereto. The record owner of the real property described in Exhibit A is Trustor. The name of the debtor for purposes of this financing statement is the name of the Trustor set forth in the first paragraph on Page 1 hereof, and the name of the secured party for purposes of this financing statement is the name of Administrative Agent set forth in the first paragraph on Page 1 hereof. The mailing address of the Trustor/debtor is the address of the Trustor set forth in the first paragraph on Page 1 hereof. The address of Administrative Agent/secured party is the address of Administrative Agent as set forth in the first paragraph on Page 1 hereof. Trustor Lithia Real Estate, Inc. is an organization that is a corporation organized under the laws of the State of Oregon. Lithia Real Estate, Inc.'s organizational identification number is 545774-82. Trustor RFA Holdings, LLC is an organization that is a limited liability company organized under the laws of the State of Oregon. RFA Holdings, LLC's organizational identification number is 1163646-96.

6.17 Oregon Specific Provisions. Notwithstanding anything contained within this Trust Deed to the contrary:

(a) Trustor warrants that this Trust Deed is not and will not at any time constitute a "residential trust deed," as that term is defined in ORS 86.705(5) or its successor statutes.

(b) **WARNING**

Unless you (Trustor) provide us (Administrative Agent) with evidence of the insurance coverage as required by our contract or the Credit Agreement, we may purchase insurance at your expense to protect our interest. This insurance may, but need not, also protect your interest. If the collateral becomes damaged, the coverage we purchase may not pay any claim you make or any claim made against you. You may later cancel this coverage by providing evidence that you have obtained property coverage elsewhere. You are responsible for the cost of any insurance purchased by us. The cost of this insurance may be added to your contract or loan balance. If the cost is added to your contract or loan balance, the interest rate on the underlying contract or loan will apply to this added amount. The effective date of coverage may be the date your prior coverage lapsed or the date you failed to provide proof of coverage. The coverage we purchase may be considerably more expensive than insurance you can obtain on your own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

(c) **ORS 41.580(3) NOTICE. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY A LENDER CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY THE LENDER TO BE ENFORCEABLE.**

(d) **ORS 93.040(2) NOTICE. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND**

SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. 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 FEE TITLE 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 LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 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 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, AND SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

(e) Mortgage Alternative. It is the express intent of Trustor and Administrative Agent that this instrument constitute and be effective as a trust deed under ORS 86.705 to 86.795. Notwithstanding the express intent of Trustor and Administrative Agent that this instrument constitute and be effective as a trust deed under ORS 86.705 to 86.795, should a court of competent jurisdiction determine that this instrument does not constitute or is not effective as such a trust deed, then this instrument shall be deemed to be a real property mortgage under ORS 86.010 to 86.157. In furtherance of the foregoing, Trustor, as mortgagor, hereby mortgages to Administrative Agent, as mortgagee, the Subject Property to secure the Secured Obligations, subject to the terms and provisions of this instrument and ORS 86.010 to 86.157, and Administrative Agent will be entitled to exercise the rights and remedies afforded to Trustee in this instrument. Nothing in this Section is intended to have any effect on the characterization, or limit the enforceability, of this instrument as a trust deed under ORS 86.705 to 86.795 or the rights and remedies of Trustee or Administrative Agent hereunder or thereunder.

[SIGNATURES TO APPEAR ON FOLLOWING PAGE(S)]

IN WITNESS WHEREOF, Trustor has entered into this Trust Deed as of the date first set forth above.

Trustor:

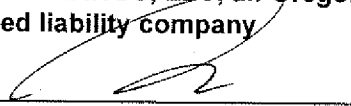
**LITHIA REAL ESTATE, INC., an Oregon
corporation**

By: 
Name: Tina Miller
Title: Authorized Agent

Address:

150 North Bartlett Street
Medford, Oregon 97501
Attention: Tina Miller, Chief Financial Officer

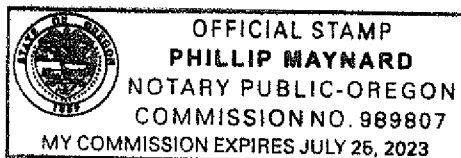
**RFA HOLDINGS, LLC, an Oregon
limited liability company**

By: 
Name: Tina Miller
Title: Authorized Agent

150 North Bartlett Street
Medford, Oregon 97501
Attention: Tina Miller, Chief Financial Officer

STATE OF OREGON)
)ss.
County of Jackson)

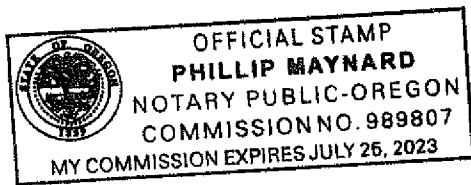
The foregoing instrument is acknowledged before me this 7th day of July, 2020, by Tina Miller, as Authorized Agent of Lithia Real Estate Inc., an Oregon corporation, on behalf of the corporation.

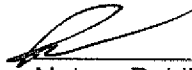



Notary Public for Oregon
My Commission Expires: 7/25/2023

STATE OF OREGON)
)ss.
County of Jackson)

The foregoing instrument is acknowledged before me this 7th day of July, 2020, by Tina Miller, as Authorized Agent of RFA Holdings, LLC, an Oregon limited liability company, on behalf of the corporation.





Notary Public for Oregon
My Commission Expires: 7/25/2023

EXHIBIT A
(Description of Property)

Street Address and Tax Parcel(s) of Real Property

Street Address: 2121 Washburn Way, Klamath Falls, OR 97603

Tax Account Numbers:

768217, 768235, 768244, 527335

Description of Real Property

Parcel 1:

Beginning at an iron pin on the East right of way line of the secondary Highway #420 (also known as Washburn Way) which lies North 0° 46' West along the section line a distance of 439.35 feet and North 89° 14' East a distance of 30 feet from the Brass Cap which marks the quarter section corner common to Section 3 and 4, Township 39 South, Range 9 East of the Willamette Meridian (which point lies North 0° 46' West 439.35 feet, more or less, from the Southwest corner of Tract 44 of Enterprise Tract in Klamath County, Oregon) and running thence; Continuing North 89° 14' East a distance of 961.8 feet to an iron pin which lies on the Southerly right of way line of the O.C. & E. Railroad; thence North 67° 40' West along the Southerly right of way line of the O.C. & E. Railroad a distance of 1045 feet to an iron pin which marks the intersection of the Southerly right of way line of the O.C. & E. Railroad and the Easterly right of way line of the secondary highway #420; thence South 0° 46' East parallel to the section line a distance of 410 feet, more or less, to the point of beginning, said tract in Enterprise Tracts 44 and 35, which lie in the SW1/4 of NW1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in Klamath County, Oregon.

Parcel 2:

Beginning at an iron pin which lies South 0° 46' East a distance of 2204.25' and North 89° 14' East a distance 450 feet from the iron pin which marks the Northwest corner of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, and running thence South 0° 46' East parallel to the West Section line of said Section 3, a distance of 150 feet; thence North 89° 14' East a distance of 739.26 feet to a point which lies on the West line of the Railroad Right of Way; thence Northerly and Westerly along the West line of the Railroad Right of Way following the arc of a 10.2136° curve to the left a distance of 128.1 feet to an iron pin on the Southerly Right of Way line of the O.C. & E. Railroad (the long cord of this curve bears North 39° 18 1/2' West a distance of 127.82 feet); thence along the Southerly Right of Way line of the O.C. & E. Railroad North 67° 40' West a distance of 128.2 feet to an iron pin; thence South 89° 14' West a distance of 541.7 feet, more or less, to the point of beginning, in the SW1/4 NW1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

Parcel 3:

A parcel of land in Section 3, Township 39 South, Range 9 East of the Willamette Meridian, being more particularly described as follows:

Beginning at the West quarter corner of Section 3, Township 39 South, Range 9 East of the Willamette Meridian; thence North 0° 46' West 291.85 feet; thence North 89° 14' East 450 feet to the Southwest corner

of that property deeded to Klamath County in Vol. 308, Page 389 of Deed Records of Klamath County and being the true point of beginning; thence South 0° 46' East parallel to the West section line of Section 3, 452.5 feet; thence North 89° 14' east 764.30 feet to a point that is 60 feet West of the West right-of-way line of the railroad spur track; thence South 0° 35' East parallel to the West right-of-way line of said railroad 315.2 feet; thence North 89° 14' east 60 feet to the West right of way line of said railroad; thence North 0° 35' West along the West right of way line of said railroad 466.4 feet to the beginning of a 10.2136° curve to the left; thence along the arc of said curve 314.77 feet to the Southeast corner of that property described in Vol. 308, page 389 of Klamath County Deed Records; thence South 89° 14' West along the South line of that property described in Vol. 308, page 389 of Klamath County Deed Records 739.26 feet to the point of beginning.

File No.: 364789AM

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EXCEPTING THEREFROM that portion conveyed from Klamath County to Washburn Enterprises, Inc. by Deed recorded October 18, 1976 in Volume M76, Page 16503, Deed records of Klamath County, Oregon.

Parcel 4:

INTENTIONALLY DELETED

Parcel 5:

A parcel of land in Lot 3, Block 3, WASHBURN PARK, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon, being more particularly described as follows:

Beginning at the Southwest corner of Lot 3, Block 3, WASHBURN PARK; thence South 89° 25' 10" East 66.76 feet along the North right of way line of Crosby Avenue to the true point of beginning of this description; thence North 00° 04' 50" East 254.17 feet to the Klamath County Road Department property; thence South 89° 56' 30" East along the Road Department property 60 feet; thence South 00° 04' 50" West 254.72 feet to the North right of way line of Crosby Avenue; thence North 89° 25' 10" West along the North right of way line 60 feet to the point of beginning.