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Klamath County, Oregon
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Fee: \$232.00

**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:**

Tucker Ellis LLP
950 Main Avenue, Suite 1100
Cleveland, Ohio 44113-7213
Attn: Chaz Weber, Esq.

Tax Account No: 3909-001CA-01700 (508114)

LINE OF CREDIT INSTRUMENT

This line of credit instrument secures amounts which have been or will be advanced pursuant to the Credit Agreement (defined below). The maximum principal amount to be advanced pursuant to the Credit Agreement secured by this line of credit instrument is \$120,000,000. The maturity date of the Credit Agreement secured by this line of credit instrument, exclusive of any option to renew or extend such maturity date, is January 5, 2024.

THIS INSTRUMENT COVERS GOODS THAT ARE OR WILL BECOME FIXTURES ON THE DESCRIBED REAL PROPERTY AND SHOULD BE FILED FOR RECORD IN THE REAL PROPERTY RECORDS WHERE MORTGAGES AND DEEDS OF TRUST ON REAL ESTATE ARE RECORDED. THIS INSTRUMENT SHOULD ALSO BE INDEXED AS A UNIFORM COMMERCIAL CODE FINANCING STATEMENT COVERING GOODS THAT ARE OR WILL BECOME FIXTURES ON THE DESCRIBED REAL PROPERTY. THE MAILING ADDRESSES OF THE SECURED PARTY AND THE DEBTOR ARE WITHIN.

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

Project Commonly Known As
"East Ridge Animal Hospital"

Notice to Borrower: The Note secured by this Deed of Trust may contain provisions for a variable interest rate and the right to repay and reborrow on a revolving basis.

THIS DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Deed of Trust") is made as of August 12, 2021, by TERRAVET KLAMATH EAST LLC, a Delaware limited liability company ("Grantor") whose mailing address is 33 Rock Hill Road, Suite 320, Bala Cynwyd, Pennsylvania 19004 in favor of OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, its successors and assigns ("Trustee"), whose mailing address is 400 Second Avenue South, Minneapolis, Minnesota 55401, for the benefit of KEYBANK NATIONAL ASSOCIATION, its successors and assigns, as Administrative Agent, for its benefit and the benefit of Lenders (as defined below) ("Beneficiary") whose mailing address is 127 Public Square, Cleveland, Ohio 44114.

1. Grant and Secured Obligations.

1.1 Grant. For the purpose of securing payment and performance of the Secured Obligations defined and described in Section 1.2 below, Grantor hereby irrevocably and unconditionally grants, bargains, sells, conveys, encumbers and warrants to Trustee, in trust for the benefit of Beneficiary, with power of sale and with right of entry and possession (collectively, the "Grant"), all estate, right, title and interest which Grantor now has or may later acquire in and to the following property (all or any part of such property, or any interest in all or any part of it, as the context may require, the "Trust Property"):

(a) The real property located in the County of Klamath, State of Oregon, as described in Exhibit A, together with all existing and future easements and rights affording access to it (the "Premises"); together with

(b) All buildings, structures and improvements now located or later to be constructed on the Premises (the "Improvements"); together with

(c) All existing and future appurtenances, privileges, easements, franchises and tenements of the Premises, including all minerals, oil, gas, other hydrocarbons and associated substances, sulphur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be in, under or produced from any part of the Premises, all development rights and credits, air rights, water, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant) and water stock, and any Premises lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Premises and Improvements; together with

(d) All rents, income, revenues, issues and profits of or from the Premises or the Improvements (including without limitation all cash or security deposits, advance rentals and deposits or payments of similar nature, all minimum annual rent, percentage rent, late charges, utilities charges, common area maintenance charges), all existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions (as the same may be amended, restated or otherwise modified from time to time, "Leases") relating to the use and enjoyment of all or any part of the Premises and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of such Leases; together with

(e) All awards or payments including interest made as a result of the exercise of the right of eminent domain, the alteration of the grade of any street, any loss of or damage to any building or other improvement on the Premises, any other injury to or decrease in the value of the Premises, any refund due on account of the payment of real estate taxes, assessments or other charges levied against or imposed upon the Premises, and the reasonable attorney fees, costs and disbursements incurred by Beneficiary in connection with the collection of any such award or payment; together with

(f) All goods, materials, supplies, chattels, furniture, furnishings, fixtures, equipment, signs, and machinery now or later to be attached to, placed in or on, or used in connection with the ownership, development, use, enjoyment, occupancy, operation or maintenance of all or any part of the Premises and Improvements, whether stored on the Premises or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust; together with

(g) All building materials, equipment, work in process or other personal property of any kind which has been delivered to, incorporated into or installed in or about the Premises or Improvements, or which have been or later will be acquired, whether stored on the Premises or elsewhere, for the purpose of being delivered to, incorporated into or installed in or about the Premises or Improvements; together with

(h) All deposit accounts (as such term is now or hereafter defined in the UCC, "Deposit Accounts") held by Grantor and into which any funds derived from the Trust Property or its operation are deposited at any time, including, but not limited to, all deposit accounts (i) that are subject to a Control Agreement or (ii) where Beneficiary is the Depository Bank, together with all monies, securities and instruments at any time deposited in any such Deposit Account or otherwise held for the credit thereof.

Capitalized terms used above and elsewhere in this Deed of Trust without definition have the meanings given them in the Credit Agreement referred to in Subsection 1.2(a)(iii) below.

1.2 Secured Obligations.

(a) Grantor makes the Grant set forth in Section 1.1 above, and grants the security interest set forth in Section 3 below for the purpose of securing the following obligations (the "Secured Obligations") in any order of priority that Beneficiary may choose:

(i) Payment of all obligations payable at any time under those certain promissory notes, each dated as of January 5, 2021 (as the same may be amended, restated or otherwise modified from time to time, collectively, the "Note"), in the current aggregate principal amount of up to One Hundred Twenty Million and No/100ths Dollars (\$120,000,000.00), delivered by Terravet Real Estate Fund III LP, a Delaware limited partnership ("Borrower"), pursuant to the terms of the Credit Agreement, payable by Borrower, as maker, to the order of each Lender; and

(ii) Payment and performance of all obligations of Grantor under this Deed of Trust; and

(iii) Payment and performance of all obligations of Borrower under that certain Credit Agreement, dated as of January 5, 2021 among Borrower, each Guarantor identified therein, the lenders a party thereto from time to time, as "Lenders", and Beneficiary, as "Administrative Agent" (as the same may be amended, restated or otherwise modified from time to time, the "Credit Agreement"); and

(iv) Payment and performance of any obligations of Grantor under any Loan Documents which are executed by Grantor; and

(v) Payment and performance of all obligations of Grantor arising from any Interest Rate Agreements. For purposes hereof, an "Interest Rate Agreement" shall mean an interest rate hedging program through the purchase by Grantor from Beneficiary of an interest rate swap, cap, or such other interest rate protection product with respect to the Note; and

(vi) Payment and performance of all future advances and other obligations that Grantor or any successor in ownership of all or part of the Trust Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when a writing evidences the parties' agreement that the advance or obligation be secured by this Deed of Trust; and

(vii) Payment and performance of all modifications, amendments, extensions, and renewals, however evidenced, of any of the above-referenced Secured Obligations.

(b) All persons who may have or acquire an interest in all or any part of the Trust Property will be considered to have notice of, and will be bound by, the terms of the Secured Obligations and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. Such terms include any provisions in the Note or the Credit Agreement which permit borrowing, reborrowing on a revolving basis and repayment, or which provide that the interest rate on one or more of the Secured Obligations may vary from time to time.

2. Assignment of Rents.

2.1 Assignment. Grantor hereby irrevocably, absolutely, presently and unconditionally assigns to Beneficiary all of Grantor's right, title and interest in, to and under any and all Leases, together with all of Grantor's right, title and interest to all rents (including without limitation all cash or security deposits, advance rentals and deposits or payments of similar nature, all minimum annual rent, percentage rent, late charges, utilities charges, common area maintenance charges, and any other payments in lieu of rents), royalties, issues, profits, revenue, income, accounts, proceeds and other benefits of the Trust Property, whether now due, past due or to become due, including all prepaid rents and security deposits (some or all collectively, as the context may require, "Rents"). This is an absolute assignment, not an assignment for security only.

2.2 Grant of License. Beneficiary hereby confers upon Grantor a license ("License") to collect and retain the Rents as they become due and payable, so long as no Event of Default, as defined in Section 6.2 below, shall exist. If an Event of Default exists, Beneficiary shall have the right, which it may choose to exercise in its sole and absolute discretion, to terminate this License without further notice to or demand upon Grantor, and without regard to the adequacy of Beneficiary's security under this Deed of Trust.

2.3 Collection and Application of Rents. Subject to the License granted to Grantor under Section 2.2 above, Beneficiary has the right, power, and authority to collect any and all Rents upon and during the existence of an Event of Default. Grantor hereby appoints Beneficiary as its attorney-in-fact to perform any and all of the following acts upon and during the existence of an Event of Default, if and at the times when Beneficiary in its sole and absolute discretion may so choose:

- (a) Demand, receive and enforce payment of any and all Rents;
- (b) Give receipts, releases and satisfactions for any and all Rents; or
- (c) Sue either in the name of Grantor or in the name of Beneficiary for any and all Rents.

Beneficiary and Grantor agree that the mere recordation of the assignment granted herein entitles Beneficiary immediately to collect and receive Rents upon the occurrence and during the existence of an Event of Default, as defined in Section 6.2, without first taking any acts of enforcement under applicable law, such as, but not limited to, providing further notice to Grantor, filing foreclosure proceedings, or seeking and/or obtaining the appointment of a receiver. Further, Beneficiary's right to the Rents does not depend on whether or not Beneficiary takes possession of the Trust Property as permitted under Subsection 6.3(c). In Beneficiary's sole and absolute discretion (exercisable upon and during the existence of an Event of Default), Beneficiary may choose to collect Rents either with or without taking possession of the Trust Property. Beneficiary shall apply all Rents collected by it in the manner provided under Section 6.6. If an Event of Default occurs while Beneficiary is in possession of all or part of the Trust Property and is collecting and applying Rents as permitted under this Deed of Trust, Beneficiary and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Deed of Trust and at law or in equity.

2.4 Notice. All lessees under any and all Leases are hereby irrevocably authorized and notified by Grantor to rely upon and to comply with (and shall be fully protected in so doing) any notice or demand by Beneficiary for the payment to Beneficiary of any Rent or other sums which may at any time become due under the Leases, or for the performance of any of lessees' undertakings under the Leases, and lessees shall have no right or duty to inquire as to whether any Event of Default has actually occurred or is then existing hereunder.

2.5 Proceeds. Beneficiary shall have the right to apply all amounts received by it pursuant to this assignment to pay any of the following in such amounts and in such order as Beneficiary shall deem appropriate: (i) any and all Secured Obligations, together with all costs and attorneys' fees afforded Borrower under the Loan Documents; (ii) all expenses of leasing,

operating, maintaining and managing the Trust Property, including without limitation, the salaries, fees, commissions and wages of a managing agent and such other employees, agents or independent contractors as Beneficiary deems necessary or desirable; (iii) all taxes, charges, claims, assessments, any other liens, and premiums for all insurance Beneficiary deems necessary or desirable; (iv) the cost of all alterations, renovations, repairs or replacements; and (v) all expenses incident to taking and retaining possession of the Trust Property.

2.6 Beneficiary Not Responsible. Regardless of whether or not Beneficiary, in person or by agent, takes actual possession of the Premises and Improvements, unless Beneficiary agrees in writing to the contrary, Beneficiary is not and shall not be deemed to be:

- (a) A "mortgagee in possession" for any purpose;
- (b) Responsible for performing any of the obligations of the lessor under any Lease;
- (c) Responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Trust Property, or any negligence in the management, upkeep, repair or control of the Trust Property (except to the extent such waste is the direct result of the gross negligence or willful misconduct of Beneficiary occurring after Beneficiary acquires ownership and possession of the Trust Property following foreclosure); or
- (d) Liable in any manner for the Trust Property or the use, occupancy, enjoyment or operation of all or any part of it (except to the extent such liability is the direct result of the gross negligence or willful misconduct of Beneficiary occurring after Beneficiary acquires ownership and possession of the Trust Property following foreclosure).

2.7 Leasing. Grantor shall not accept any prepayment of rents under the Leases for any Rent period exceeding two (2) months without Beneficiary's prior written consent. Grantor shall not lease the Trust Property or any portion thereof except as permitted under the Credit Agreement.

3. Grant of Security Interest.

3.1 Security Agreement. The parties intend for this Deed of Trust to create a lien on the Trust Property, and an absolute assignment of the Rents, all in favor of Beneficiary. The parties acknowledge that some of the Trust Property and some or all of the Rents may be determined under applicable law to be personal property or fixtures. To the extent that any Trust Property or Rents may be or be determined to be personal property or fixtures, Grantor as debtor hereby grants Beneficiary as secured party a security interest in all such Trust Property and Rents, to secure payment and performance of the Secured Obligations. This Deed of Trust constitutes a security agreement under the Uniform Commercial Code of the State of Oregon, covering all such Trust Property and Rents.

3.2 Financing Statements. Grantor hereby authorizes Beneficiary to file one or more financing statements and execute and deliver such other documents as Beneficiary may from time to time require to perfect or continue the perfection of Beneficiary's security interest in any Trust

Property or Rents pursuant to the Oregon Uniform Commercial Code. In addition, Grantor shall execute such other documents as Beneficiary may from time to time require to perfect or continue the perfection of Beneficiary's security interest in any of the Trust Property or Rents. As provided in Section 5.9 below, Grantor shall pay all fees and costs that Beneficiary may incur in filing such documents in public offices and in obtaining such record searches as Beneficiary may reasonably require. If Grantor fails to execute any financing statements or other documents for the perfection or continuation of any security interest, Grantor hereby appoints Beneficiary as its true and lawful attorney-in-fact, such appointment coupled with an interest, to execute any such documents on its behalf. If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall never be construed as in any way derogating from or impairing this Deed of Trust or the rights or obligations of the parties under it.

4. Fixture Filing.

This Deed of Trust constitutes a financing statement filed as a fixture filing under Article 9 of the Oregon Uniform Commercial Code, as amended or recodified from time to time, covering any Trust Property which now is or later may become fixtures attached to the Premises or the Improvements. For this purpose, the respective addresses of Grantor, as debtor, and Beneficiary, as secured party, are as set forth in the preamble of this Deed of Trust.

5. Rights and Duties of the Parties.

5.1 Representations and Warranties. Grantor represents and warrants that Grantor's place of business, or its chief executive office if it has more than one place of business, is located at the address set forth in the preamble of this Deed of Trust.

5.2 Intentionally Omitted.

5.3 Performance of Secured Obligations. Grantor shall promptly pay and perform each Secured Obligation in accordance with its terms.

5.4 Liens, Charges and Encumbrances. To the extent required under the Credit Agreement, Grantor shall immediately discharge any lien on the Trust Property which Beneficiary has not consented to in writing in accordance with the terms of the Credit Agreement.

5.5 Damages and Insurance and Condemnation Proceeds. In the event of any casualty or condemnation of the Trust Property, the terms of the Credit Agreement shall govern.

5.6 Intentionally Omitted.

5.7 Releases, Extensions, Modifications and Additional Security. From time to time, Beneficiary may perform any of the following acts without incurring any liability or giving notice to any person:

- (a) Release any person liable for payment of any Secured Obligation;
- (b) Extend the time for payment of any Secured Obligation;

(c) Accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security;

(d) Substitute, release, or reconvey any property securing the Secured Obligations;

(e) Consent to the making of any plat or map of the Trust Property or any part of it;

(f) Join in granting any easement or creating any restriction affecting the Trust Property;

(g) Join in any subordination or other agreement affecting this Deed of Trust or the lien of it; or

(h) Release or reconvey the Trust Property or any part of it.

5.8 Release of Deed of Trust. When all of the Secured Obligations have been paid and performed in full and all fees and other sums owed by Grantor under this Deed of Trust and the other Loan Documents have been paid in full and received by Beneficiary and the obligations of Beneficiary and the Lenders to provide additional credit under the Loan Documents have been terminated irrevocably, and the Borrower has delivered to Beneficiary a written release of all claims against Beneficiary and the Lenders, in form and substance satisfactory to Beneficiary, then subject to the terms and conditions of the Credit Agreement, Beneficiary shall request Trustee to release and discharge this Deed of Trust and release the Trust Property from the lien created hereby. When Trustee receives Beneficiary's written request for release and all fees and other sums owing to it by Grantor under this Deed of Trust, Trustee shall release the Trust Property from the lien of this Deed of Trust, or so much of it as is then held under this Deed of Trust, without warranty to Grantor. Grantor shall pay any reasonable costs of preparation and recordation of such release. In the release, the recitals of any matters or facts shall be conclusive proof of their truthfulness.

5.9 Compensation, Exculpation, Indemnification.

(a) Grantor agrees to pay the reasonable and documented out-of-pocket fees as may be charged by Beneficiary for any services that Beneficiary or Trustee may render in connection with this Deed of Trust, including providing a statement of the Secured Obligations or providing the release pursuant to Section 5.8 above. Grantor shall also pay or reimburse all of Beneficiary's and Trustee's reasonable and documented out-of-pocket costs and expenses which may be incurred in rendering any such services. Grantor further agrees to pay or reimburse Beneficiary for all reasonable and documented out-of-pocket costs, expenses and other advances which may be incurred or made by Beneficiary or Trustee in any efforts to lawfully enforce any terms of this Deed of Trust, including any rights or remedies afforded to Beneficiary and Trustee under Section 6.3, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Deed of Trust, including reasonable attorneys' fees and other legal costs, costs of any Trustee's Sale (as defined in Section 6.3(i) below) and/or any Foreclosure Sale (as defined

in Subsection 6.3(k) below) and any cost of evidence of title. If Beneficiary and/or Trustee, as required by applicable law, chooses to dispose of Trust Property through more than one Foreclosure Sale, Grantor shall pay all reasonable and documented out-of-pocket costs, expenses or other advances that may be incurred or made by Beneficiary and/or Trustee in each of such Foreclosure Sales. In any suit to foreclose the lien hereof or enforce any other remedy of Trustee or Beneficiary under this Deed of Trust or the Note, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all documented out-of-pocket expenditures and expenses which may be paid or incurred by or on behalf of Trustee and Beneficiary for reasonable attorneys' costs and fees (including the costs and fees of paralegals), survey charges, appraiser's fees, inspecting engineer's and/or architect's fees, fees for environmental studies and assessments and all additional expenses incurred by Trustee and Beneficiary with respect to environmental matters, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Trustee and Beneficiary may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to, the value of or the environmental condition of the Trust Property. All expenditures and expenses of the nature in this Subsection mentioned, and such reasonable and documented out-of-pocket expenses and fees as may be incurred in the protection of the Trust Property and maintenance of the lien of this Deed of Trust, including the reasonable fees of any attorney (including the costs and fees of paralegals) employed by Trustee or Beneficiary in any litigation or proceeding affecting this Deed of Trust, the Note or the Trust Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be promptly paid by Grantor, with interest thereon at the Default Rate and shall be secured by this Deed of Trust.

(b) Neither Beneficiary nor Trustee shall be directly or indirectly liable to Grantor or any other person as a consequence of any of the following:

(i) Beneficiary's or Trustee's exercise of or failure to exercise any rights, remedies or powers granted to Beneficiary and/or Trustee in this Deed of Trust;

(ii) Beneficiary's failure or refusal to perform or discharge any obligation or liability of Grantor under any agreement related to the Trust Property or under this Deed of Trust; or

(iii) Any loss sustained by Grantor or any third party resulting from Beneficiary's failure to lease the Trust Property, or from any other act or omission of Beneficiary in managing the Trust Property, after an Event of Default, unless the loss is caused by the willful misconduct, gross negligence or bad faith of Beneficiary.

Grantor hereby expressly waives and releases all liability of the types described above, and agrees that no such liability shall be asserted against or imposed upon Beneficiary or Trustee.

(c) Grantor agrees to indemnify Beneficiary and Trustee against and hold them harmless for, from and against all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other costs and expenses which they may suffer or incur:

(i) In performing any act required or permitted by this Deed of Trust or any of the other Loan Documents or by law;

(ii) Because of any failure of Grantor to perform any of its obligations (beyond any applicable notice and cure period set forth herein or in any other Loan Document); or

(iii) Because of any alleged obligation of or undertaking by Beneficiary and/or Trustee to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document relating to the Trust Property other than the Loan Documents.

This agreement by Grantor to indemnify Beneficiary and Trustee shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release of this Deed of Trust.

(d) Grantor shall pay all obligations to pay money arising under this Section 5.9 promptly upon demand by Beneficiary but in any event within five (5) Business Days of demand by Beneficiary. Each such obligation shall be added to, and considered to be part of, the principal of the Note, and shall bear interest from the date the obligation arises at the Default Rate.

5.10 Defense and Notice of Claims and Actions. Except for Permitted Liens, at Grantor's sole expense, Grantor shall protect, preserve and defend the Trust Property and title to and right of possession of the Trust Property, and the security of this Deed of Trust and the rights and powers of Beneficiary created under it, against all adverse claims. Grantor shall give Beneficiary prompt notice in writing if any claim is asserted which does or could materially affect any such matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

5.11 Subrogation. Beneficiary shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Beneficiary in accordance with this Deed of Trust or with the proceeds of any loan secured by this Deed of Trust.

5.12 Site Visits, Observation and Testing. Beneficiary and its agents and representatives shall have the right to enter and visit the Trust Property (but only (a) upon reasonable advance notice and during normal business hours, (b) to the extent Grantor has the right to do so to the extent in the possession, or under the control, of another Person, and (c) if accompanied by a representative of Grantor) for the purpose of performing appraisals, observing the Trust Property,

taking and removing soil or groundwater samples, and conducting tests on any part of the Trust Property. Beneficiary has no duty, however, to visit or observe the Trust Property or to conduct tests, and no site visit, observation or testing by Beneficiary, its agents or representatives shall impose any liability on any of Beneficiary, its agents or representatives (except to the extent such liability is the direct result of such party's gross negligence or willful misconduct). In no event shall any site visit, observation or testing by Beneficiary, its agents or representatives be a representation that Hazardous Materials are or are not present in, on or under the Trust Property, or that there has been or shall be compliance with any law, regulation or ordinance pertaining to Hazardous Materials or any other applicable governmental law. Neither Grantor nor any other party is entitled to rely on any site visit, observation or testing by any of Beneficiary, its agents or representatives. Neither Beneficiary, its agents or representatives owe any duty of care to protect Grantor or any other party against, or to inform Grantor or any other party of, any Hazardous Materials or any other adverse condition affecting the Trust Property. Beneficiary shall give Grantor reasonable notice before entering the Trust Property. Beneficiary shall make reasonable efforts to avoid interfering with Grantor's or any other Person's use of the Trust Property in exercising any rights provided in this Section 5.12.

5.13 Notice of Change. Grantor shall give Beneficiary prior written notice of any change in: (a) the location of its place of business or its chief executive office if it has more than one place of business; (b) the location of any of the Trust Property, including the Books and Records; and (c) Grantor's name. Unless otherwise approved by Beneficiary in writing, all Trust Property that consists of personal property (other than the Books and Records) will be located on the Premises and all Books and Records will be located at Grantor's place of business or chief executive office if Grantor has more than one place of business.

6. Accelerating Transfers, Default and Remedies

6.1 Intentionally Omitted

6.2 Events of Default. The occurrence of any one or more Events of Default (as defined in the Credit Agreement) shall constitute an "Event of Default" hereunder

6.3 Remedies. Upon the occurrence and during the existence of an Event of Default, Beneficiary shall be entitled to invoke any and all of the rights and remedies described below, in addition to all other rights and remedies available to Beneficiary at law or in equity. All of such rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

(a) Acceleration. Beneficiary may declare any or all of the Secured Obligations to be due and payable immediately.

(b) Receiver. Beneficiary shall, as a matter of right, without notice and without giving bond to Grantor or anyone claiming by, under or through Grantor, and without regard for the solvency or insolvency of Grantor or the then value of the Trust Property, apply ex parte to a court of competent jurisdiction for and obtain appointment of a receiver (for all purposes, including, without limitation, to sell the Trust Property, or any portion thereof, at a public or private sale) to enter upon and take possession of all or any part of

the Trust Property and the Rents, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Grantor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Such receiver shall have all powers and duties prescribed by applicable law, all other powers which are necessary or usual in such cases for the protection, possession, control, management and operation of the Trust Property, and such rights and powers as Beneficiary would have, upon entering and taking possession of the Trust Property under subsection (c) below.

(c) Entry. Beneficiary, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Trust Property, and may also do any and all other things in connection with those actions that Beneficiary may in its sole and absolute discretion consider necessary and appropriate to protect the security of this Deed of Trust. Such other things may include: taking and possessing all of Grantor's or the then owner's books and records that pertain to the ownership or operation of the Trust Property; entering into, enforcing, modifying or canceling Leases on such terms and conditions as Beneficiary may consider proper; obtaining and evicting tenants; fixing or modifying Rents; collecting and receiving any payment of money owing to Beneficiary; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Beneficiary so requests, Grantor shall assemble all of the Trust Property that has been removed from the Premises and make all of it available to Beneficiary at the site of the Premises. Grantor hereby irrevocably constitutes and appoints Beneficiary as Grantor's attorney-in-fact to perform such acts and execute such documents as Beneficiary in its sole and absolute discretion may consider to be appropriate in connection with taking these measures, including endorsement of Grantor's name on any instruments.

(d) Cure; Protection of Security. Beneficiary may cure any breach or default of Grantor, and if it chooses to do so in connection with any such cure, Beneficiary may also enter the Trust Property and/or do any and all other things which it may in its sole and absolute discretion consider necessary and appropriate to protect the security of this Deed of Trust, including, without limitation, completing construction of the improvements at the Trust Property contemplated by the Credit Agreement. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Beneficiary under, this Deed of Trust; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Beneficiary's sole judgment is or may be senior in priority to this Deed of Trust, such judgment of Beneficiary or to be conclusive as among the parties to this Deed of Trust; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the Credit Agreement; otherwise caring for and protecting any and all of the Trust Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Beneficiary. Beneficiary may take any of the actions permitted under this Subsection 6.3(d) either with or without giving notice to any person. Any amounts expended by Beneficiary under this Subsection 6.3(d) shall be secured by this Deed of Trust.

(e) Uniform Commercial Code Remedies. Beneficiary may exercise any or all of the remedies granted to a secured party under the Oregon Uniform Commercial Code.

(f) Foreclosure; Lawsuits. Beneficiary shall have the right, in one or several concurrent or consecutive proceedings, to foreclose the lien hereof upon the Trust Property or any part thereof, for the Secured Obligations, or any part thereof, by any proceedings appropriate under applicable law. Beneficiary or its nominee may bid and become the purchaser of all or any part of the Trust Property at any foreclosure or other sale hereunder, and the amount of Beneficiary's successful bid shall be credited on the Secured Obligations. Without limiting the foregoing, Beneficiary may proceed by a suit or suits in law or equity, whether for specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure under the judgment or decree of any court of competent jurisdiction. In addition to the right provided in Section 6.3(a), upon, or at any time after the filing of a complaint to foreclose this Deed of Trust, Trustee and Beneficiary shall be entitled to the appointment of a receiver of the Trust Property by the court in which such complaint is filed, and Grantor hereby consents to such appointment.

(g) Accounts. Beneficiary may withdraw any or all monies, securities and/or instruments in any Deposit Account for application to the Secured Obligations.

(h) Sale of Personal Trust Property. Beneficiary and/or Trustee, as required by applicable law, shall have the discretionary right to cause some or all of the Trust Property, which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

(i) For purposes of this power of sale, Beneficiary and/or Trustee, as required by applicable law, may elect to treat as personal property any Trust Property which is intangible or which can be severed from the Premises or Improvements without causing structural damage. If it chooses to do so, Beneficiary and/or Trustee, as required by applicable law, may dispose of any personal property, in any manner permitted by Article 9 of the Oregon Uniform Commercial Code, including any public or private sale, or in any manner permitted by any other applicable law.

(ii) In connection with any sale or other disposition of such Trust Property, Grantor agrees that the following procedures constitute a commercially reasonable sale: Beneficiary shall mail written notice of the sale to Grantor not later than thirty (30) days prior to such sale. Beneficiary will publish notice of the sale in a local daily newspaper of general circulation. Upon receipt of any written request, Grantor will make the Trust Property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding, Beneficiary shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair value of the Trust Property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

(i) Trustee's Sales of Real Property or Mixed Collateral. Beneficiary may choose to dispose of some or all of the Trust Property which consists solely of real property in any manner then permitted by applicable law. In its sole and absolute discretion, Beneficiary may also or alternatively choose to dispose of some or all of the Trust Property, in any combination consisting of both real and personal property, together in one sale to be held in accordance with the law and procedures applicable to real property. Grantor agrees that such a sale of personal property together with real property constitutes a commercially reasonable sale of the personal property. For purposes of this power of sale, either a sale of real property alone, or a sale of both real and personal property together, will sometimes be referred to as a "Trustee's Sale."

Before any Trustee's Sale, Beneficiary or Trustee shall give such notice of default and election to sell as may then be required by law. When all time periods then legally mandated have expired, and after such notice of sale as may then be legally required has been given, Trustee shall sell the property being sold at a public auction to be held at the time and place specified in the notice of sale. Neither Trustee nor Beneficiary shall have any obligation to make demand on Grantor before any Trustee's Sale. From time to time in accordance with then applicable law, Trustee may, and in any event at Beneficiary's request shall, postpone any Trustee's Sale by public announcement at the time and place noticed for that sale.

At any Trustee's Sale, Trustee shall sell to the highest bidder at public auction for cash in lawful money of the United States. Trustee shall execute and deliver to the purchaser(s) a deed or deeds conveying the property being sold without any covenant or warranty whatsoever, express or implied. The recitals in any such deed of any matters or facts, including any facts bearing upon the regularity or validity of any Trustee's Sale, shall be conclusive proof of their truthfulness. Any such deed shall be conclusive against all persons as to the facts recited in it.

(j) Other Remedies. Beneficiary may exercise all rights and remedies contained in any other instrument, document, agreement or other writing heretofore, concurrently or in the future executed by Grantor or any other person or entity in favor of Beneficiary in connection with the Secured Obligations or any part thereof, without prejudice to the right of Beneficiary thereafter to enforce any appropriate remedy against Grantor. Beneficiary shall have the right to pursue all remedies afforded to a Beneficiary under applicable law, and shall have the benefit of all of the provisions of such applicable law, including all amendments thereto which may become effective from time to time after the date hereof. Beneficiary may exercise remedies under this Deed of Trust without exercising remedies under any other Mortgages securing the Loan.

(k) Single or Multiple Foreclosure Sales. If the Trust Property consists of more than one lot, parcel, or item of property, Beneficiary and/or Trustee, as required by applicable law, may:

(i) Designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and/or

(ii) Elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made under or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Beneficiary may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale;" and any two or more, "Foreclosure Sales").

If Beneficiary chooses to have more than one Foreclosure Sale, Beneficiary at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as Beneficiary may deem to be in its best interests. No Foreclosure Sale shall terminate or affect the liens of this Deed of Trust on any part of the Trust Property which has not been sold, until all of the Secured Obligations have been paid in full.

6.4 Credit Bids. At any Foreclosure Sale or Trustee's Sale, any person, including Grantor or Beneficiary, may bid for and acquire the Trust Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for such property, Beneficiary may settle for the purchase price by crediting the sales price of the Trust Property against the following obligations:

(a) First, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Grantor is obligated to pay or reimburse Beneficiary and Trustee under this Deed of Trust; and

(b) Second, all other Secured Obligations in any order and proportions as Beneficiary in its sole and absolute discretion may choose.

6.5 Application of Foreclosure Sale Proceeds. Beneficiary shall apply the proceeds of any Foreclosure Sale or Trustee's Sale in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Grantor is obligated to reimburse Beneficiary or Trustee under this Deed of Trust;

(b) Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Beneficiary under the terms of this Deed of Trust which then remain unpaid;

(c) Third, to pay all other Secured Obligations in any order and proportions as Beneficiary in its sole and absolute discretion may choose; and

(d) Fourth, to remit the remainder, if any, to the person or persons entitled to it.

6.6 Application of Rents and Other Sums. Beneficiary shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale or Trustee's Sale, which Beneficiary may receive or collect under Section 6.3 above, in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the costs and expenses of operation and collection that may be incurred by Beneficiary or any receiver;

(b) Second, to pay all other Secured Obligations in any order and proportions as Beneficiary in its sole and absolute discretion may choose; and

(c) Third, to remit the remainder, if any, to the person or persons entitled to it.

Beneficiary shall have no liability for any funds which it does not actually receive.

7. The Trustee.

7.1 Certain Rights. With the approval of Beneficiary, Trustee shall have the right to take any and all of the following actions: (i) to select, employ and consult with counsel (who may be, but need not be, counsel for Beneficiary) upon any matters arising hereunder, including the preparation, execution and interpretation of the Loan Documents, and shall be fully protected in relying as to legal matters on the advice of counsel, (ii) to execute any of the trusts and powers hereof and to perform any duty hereunder either directly or through his or her agents or attorneys, (iii) to select and employ, in and about the execution of his or her duties hereunder, suitable accountants, engineers and other experts, agents and attorneys-in-fact, either corporate or individual, not regularly in the employ of Trustee (and Trustee shall not be answerable for any act, default, negligence, or misconduct of any such accountant, engineer or other expert, agent or attorney-in-fact, if selected with reasonable care, or for any error of judgment or act done by Trustee in good faith, or be otherwise responsible or accountable under any circumstances whatsoever, except for Trustee's gross negligence or bad faith), and (iv) any and all other lawful action that Beneficiary may instruct Trustee to take to protect or enforce Beneficiary's rights hereunder. Trustee shall not be personally liable in case of entry by Trustee, or anyone entering by virtue of the powers herein granted to Trustee, upon the Premises for debts contracted for or liability or damages incurred in the management or operation of the Premises. Trustee shall have the right to rely on any instrument, document, or signature authorizing or supporting any action taken or proposed to be taken by Trustee hereunder, believed by Trustee in good faith to be genuine. Trustee shall be entitled to reimbursement for expenses incurred by Trustee in the performance of Trustee's duties hereunder to the extent permitted by law. Grantor will, from time to time, pay the compensation due to Trustee hereunder and reimburse Trustee for, and save and hold Trustee harmless against, any and all liability and expenses which may be incurred by Trustee in the performance of Trustee's duties.

7.2 Retention of Money. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, and shall be segregated from any other moneys of Trustee.

7.3 Successor Trustees. Trustee may resign by the giving of notice of such resignation in writing to Beneficiary. If Trustee shall die, resign or become disqualified from acting in the execution of this trust, or if, for any reason, Beneficiary, in Beneficiary's sole and absolute discretion and with or without cause, shall prefer to appoint a substitute trustee or multiple substitute trustees, or successive substitute trustees or successive multiple substitute trustees, to

act instead of the aforementioned Trustee, Beneficiary shall have full power to appoint a substitute trustee (or, if preferred, multiple substitute trustees) in succession who shall succeed (and if multiple substitute trustees are appointed, each of such multiple substitute trustees shall succeed) to all the estates, rights, powers and duties of the aforementioned Trustee. From time to time, Beneficiary may substitute a successor to any Trustee named in or acting under this Deed of Trust in any manner now or later to be provided at law, or by a written instrument executed and acknowledged by Beneficiary and recorded in the office of the recorder of the county where the Premises and Improvements are situated. Any such instrument shall be conclusive proof of the proper substitution of the successor Trustee, who shall automatically upon recordation of the instrument succeed to all estate, title, rights, powers and duties of the predecessor Trustee, without conveyance from it. If multiple substitute trustees are appointed, each of such multiple substitute trustees shall be empowered and authorized to act alone without the necessity of the joinder of the other multiple substitute trustees, whenever any action or undertaking of such substitute trustees is requested or required under or pursuant to this Deed of Trust or applicable law. Any prior election to act jointly or severally shall not prevent either or both of such multiple substitute Trustees from subsequently executing, jointly or severally, any or all of the provisions hereof.

7.4 Perfection of Appointment. Should any deed, conveyance, or instrument of any nature be reasonably required from Grantor by any Trustee or substitute Trustee to more fully and certainly vest in and confirm to Trustee or substitute Trustee such estates, rights, powers, and duties, then, upon request by Trustee or substitute trustee, any and all such deeds, conveyances and instruments shall be made, executed, acknowledged, and delivered and shall be caused to be recorded and/or filed by Grantor.

7.5 Succession Instruments. Any substitute trustee appointed pursuant to any of the provisions hereof shall, without any further act, deed or conveyance, become vested with all the estates, properties, rights, powers, and trusts of its, his or her predecessor in the rights hereunder with like effect as if originally named as Trustee herein; but nevertheless, upon the written request of Beneficiary or of the substitute trustee, Trustee ceasing to act shall execute and deliver any instrument transferring to such substitute trustee, upon the trusts herein expressed, all the estates, properties, rights, powers, and trusts of Trustee so ceasing to act, and shall duly assign, transfer and deliver any of the property and moneys held by such Trustee to the substitute trustee so appointed in such Trustee's place.

7.6 No Representation by Trustee or Beneficiary. By accepting or approving anything required to be observed, performed, or fulfilled or to be given to Trustee or Beneficiary pursuant to the Loan Documents, neither Trustee nor Beneficiary shall be deemed to have warranted, consented to, or affirmed the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision, or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or affirmation with respect thereto by Trustee or Beneficiary.

8. Miscellaneous Provisions.

8.1 Additional Provisions. The Loan Documents fully state all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Deed of Trust. The Loan Documents also grant further rights to Beneficiary and contain further

agreements and affirmative and negative covenants by Grantor which apply to this Deed of Trust and to the Trust Property.

8.2 No Waiver or Cure.

(a) Each waiver by Beneficiary must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Beneficiary to take action on account of any default of Grantor. Consent by Beneficiary to any act or omission by Grantor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Beneficiary's consent to be obtained in any future or other instance.

(b) If any of the events described below occurs, that event alone shall not: cure or waive any breach, Event of Default or notice of default under this Deed of Trust or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Loan Documents have been cured); or impair the security of this Deed of Trust; or prejudice Beneficiary or any receiver in the exercise of any right or remedy afforded any of them under this Deed of Trust; or be construed as an affirmation by Beneficiary of any tenancy, lease or option, or a subordination of the lien of this Deed of Trust.

(i) Trustee or Beneficiary, its agent or a receiver takes possession of all or any part of the Trust Property in the manner provided in Subsection 6.3(c).

(ii) Beneficiary collects and applies Rents as permitted under Sections 2.3 and 6.6 above, either with or without taking possession of all or any part of the Trust Property.

(iii) Beneficiary or Trustee receives and applies to any Secured Obligation any proceeds of any Trust Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Beneficiary under Section 5.5 above.

(iv) Beneficiary makes a site visit, observes the Trust Property and/or conducts tests as permitted under Section 5.12 above.

(v) Beneficiary or Trustee receives any sums under this Deed of Trust or any proceeds of any collateral held for any of the Secured Obligations, and applies them to one or more Secured Obligations.

(vi) Beneficiary, Trustee or any receiver invokes any right or remedy provided under this Deed of Trust.

8.3 Powers of Beneficiary.

(a) If Beneficiary performs any act which it is empowered or authorized to perform under this Deed of Trust, including any act permitted by Section 5.7 or Subsection

6.3(d) of this Deed of Trust, that act alone shall not release or change the personal liability of any person for the payment and performance of the Secured Obligations then outstanding, or the lien of this Deed of Trust on all or the remainder of the Trust Property for full payment and performance of all outstanding Secured Obligations. The liability of the original Grantor shall not be released or changed if Beneficiary grants any successor in interest to Grantor any extension of time for payment, or modification of the terms of payment, of any Secured Obligation. Beneficiary shall not be required to comply with any demand by the original Grantor that Beneficiary refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest.

(b) Beneficiary may take any of the actions permitted under Subsections 6.3(b) and/or 6.3(c) regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Deed of Trust.

(c) From time to time, Beneficiary may apply to any court of competent jurisdiction for aid and direction in executing and enforcing the rights and remedies created under this Deed of Trust. Beneficiary may from time to time obtain orders or decrees directing, confirming or approving acts in executing and enforcing these rights and remedies.

8.4 Merger. No merger shall occur as a result of Beneficiary's acquiring any other estate in or any other lien on the Trust Property unless Beneficiary consents to a merger in writing.

8.5 Joint and Several Liability. If Grantor consists of more than one person, each shall be jointly and severally liable for the faithful performance of all of Grantor's obligations under this Deed of Trust.

8.6 Applicable Law. 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, except that at all times the provisions for the creation, perfection, and enforcement of the liens and security interests created pursuant hereto and pursuant to the other Loan Documents (other than with respect to liens, security title, and security interests in property whose perfection and priority is covered by Article 9 of the UCC, including, without limitation, the accounts, which shall be governed by the law of the jurisdiction applicable thereto in accordance with Sections 9-301 through 9-307 of the UCC as in effect in the State of New York) shall be governed by and construed according to the law of the state in which the Property is located, which is the State of Oregon. Nothing herein contained nor any transaction related hereto shall be construed or so operate as to require Grantor to do any act contrary to law. The provisions set forth in Section 11.08 of the Credit Agreement concerning submission to jurisdiction, venue and waiver of jury trial are incorporated into this Deed of Trust by reference as if fully set forth herein.

8.7 Successors in Interest. The terms, covenants and conditions of this Deed of Trust shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties.

8.8 Interpretation.

(a) Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Deed of Trust are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to."

(b) The word "obligations" is used in its broadest and most comprehensive sense, and includes all primary, secondary, direct, indirect, fixed and contingent obligations. It further includes all principal, interest, prepayment charges, late charges, loan fees and any other fees and charges accruing or assessed at any time, as well as all obligations to perform acts or satisfy conditions.

(c) No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Deed of Trust. The Exhibits to this Deed of Trust are hereby incorporated in this Deed of Trust.

8.9 Intentionally Omitted.

8.10 Waiver of Statutory Rights. To the extent permitted by law, Grantor hereby agrees that it shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Deed of Trust, but hereby waives the benefit of such laws. Grantor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Trust Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Trust Property sold as an entirety. Grantor hereby waives any and all rights of redemption from sale under any judgment of foreclosure of this Deed of Trust on behalf of Grantor and on behalf of each and every person acquiring any interest in or title to the Trust Property of any nature whatsoever, subsequent to the date of this Deed of Trust. The foregoing waiver of right of redemption is made pursuant to the provisions of applicable law.

8.11 Severability. If any provision of this Deed of Trust should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and shall in no way affect the validity of this Deed of Trust.

8.12 Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows:

Grantor: Terravet Klamath East LLC
33 Rock Hill Road, Suite 320
Bala Cynwyd, PA 19004
Attention: Daniel Eisenstadt

Trustee: Old Republic National Title Insurance Company
400 Second Avenue, South
Minneapolis, Minnesota 55401

Beneficiary: KeyBank National Association
1200 Abernathy Road NE, Suite 1550
Atlanta, GA 30328
Attention: Jennifer Power
Telephone: 770-510-2101

With a copy to: Tucker Ellis LLP
950 Main Avenue, Suite 1100
Cleveland, Ohio 44113-7213
Attention: Chaz Weber, Esq.
Telephone: 216-696-4887

Notices and communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent and receipt has been confirmed by telephone. Any party hereto may change its notice address hereunder by giving written notice thereof to the other parties hereto in accordance with the terms of this Section 8.12.

8.13 Future Advances. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid principal balance of indebtedness secured hereby shall include disbursements that any Lender may, but shall not be obligated to, make under this Deed of Trust or the Loan Documents, plus applicable interest thereon, and any disbursements made for the enforcement of this Deed of Trust and any remedies hereunder, payment of taxes, special assessments, utilities or insurance on the Trust Property and interest on such disbursements and all disbursements by Beneficiary pursuant to applicable law (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby" and for purposes of this Deed of Trust shall be \$120,000,000.00 without any obligation on Beneficiary's part to disburse more than the principal amount evidenced by the Note in accordance with the terms and conditions of the Credit Agreement and the documents and instruments executed in connection therewith). This Deed of Trust shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Trust Property given priority by law.

8.14 Beneficiary's Lien for Service Charge and Expenses. At all times, regardless of whether any Loan proceeds have been disbursed, this Deed of Trust secures (in addition to any Loan proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Beneficiary pursuant to the Loan Documents, not to exceed the maximum amount secured hereby. For purposes hereof, all obligations of Grantor to Beneficiary under all Interest Rate Agreements and any indebtedness or obligation contained therein or evidenced thereby shall be considered an obligation of Grantor secured hereby.

8.15 Non-Borrower Grantor

(a) If any Grantor ("Non-Borrower Grantor") is not the Borrower under the Credit Agreement, such Non-Borrower Grantor authorizes Beneficiary to perform any of the following acts at any time, all without notice to Non-Borrower Grantor and without affecting Beneficiary's rights or Non-Borrower Grantor's obligations under this Deed of Trust:

(i) Beneficiary may alter any terms of the Credit Agreement, Note, Loan Documents or any part thereof, including renewing, compromising, extending or accelerating, or otherwise changing the time for payment of, or increasing or decreasing the rate of interest on, the Credit Agreement, Note, Loan Documents or any part thereof;

(ii) Beneficiary may take and hold security for the Credit Agreement, Note and Loan Documents, accept additional or substituted security for the Credit Agreement, Note and Loan Documents and subordinate, exchange, enforce, waive, release, compromise, fail to perfect, sell or otherwise dispose of any such security;

(iii) Beneficiary may apply any security now or later held for the Credit Agreement, Note or Loan Documents in any order that Beneficiary in its sole discretion may choose, and may direct the order and manner of any sale of all or any part of it and bid at any such sale;

(iv) Beneficiary may release Borrower of its liability for the Credit Agreement, Note, Loan Documents or any part thereof;

(v) Beneficiary may substitute, add or release any one or more guarantors or endorsers of the Credit Agreement; and

(vi) Beneficiary may extend other credit to Borrower, and may take and hold security for the credit so extended, whether or not such security also secures the Credit Agreement, Note and other Loan Documents.

(b) Non-Borrower Grantor waives:

(i) Any right it may have to require Beneficiary to proceed against Borrower, proceed against or exhaust any security held from Borrower, or pursue any other remedy in Beneficiary's power to pursue;

(ii) Any defense based on any legal disability of Borrower, any discharge or limitation of the liability of Borrower to Beneficiary whether consensual or arising by operation of law or any bankruptcy, reorganization, receivership, insolvency, or debtor relief proceeding, or from any other cause, or any claim that Non-Borrower Grantor's obligations exceed or are more burdensome than those of Borrower;

(iii) All presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this Deed of Trust and of the existence, creation, or incurring of new or additional indebtedness of Borrower, and demands and notices of every kind;

(iv) Any defense based on or arising out of any defense that Borrower may have to the payment or performance of the Credit Agreement, Note or Loan Documents or any part thereof; and

(v) Until the Secured Obligations have been paid and performed in full, all rights of subrogation, reimbursement, indemnification and contribution (contractual, statutory or otherwise), including any claim or right of subrogation under the Bankruptcy Code (Title 11 of the U.S. Code) or any successor statute, all rights to enforce any remedy that Beneficiary may have against Borrower, and all rights to participate in any security now or later to be held by Beneficiary for the Credit Agreement, Note or Loan Documents.

(c) Non-Borrower Grantor assumes full responsibility for keeping informed of Borrower's financial condition and business operations and all other circumstances affecting Borrower's ability to pay and perform its obligations to Beneficiary, and agrees that Beneficiary shall have no duty to disclose to Non-Borrower Grantor any information which Beneficiary may receive about Borrower's financial condition, business operations, or any other circumstances bearing on its ability to perform.

(d) No provision or waiver in this Deed of Trust shall be construed as limiting the generality of any other provision or waiver contained in this Deed of Trust.

(e) For purposes of this Section 8.15, all references to the Loan Documents shall also include any instrument or agreement executed by Borrower subsequent to the date of this Deed of Trust which is secured by this Deed of Trust in accordance with Section 1.2.

8.16 Inconsistencies. In the event of any inconsistency between this Deed of Trust and the Credit Agreement, the terms hereof shall be controlling as necessary to create, preserve and/or maintain a valid security interest upon the Trust Property, otherwise the provisions of the Credit Agreement shall be controlling.

8.17 UCC Financing Statements. Grantor hereby authorizes Beneficiary to file UCC financing statements to perfect Beneficiary's security interest in any part of the Trust Property. In addition, Grantor agrees to sign any and all other documents that Beneficiary deems reasonably necessary to perfect, protect, and continue Beneficiary's lien and security interest in the Trust Property.

8.18 Local Law Provisions.

(a) **Inconsistent Terms.** In the event of any inconsistency between the terms of this Section 8.18 and the other terms of this Deed of Trust, the terms of this Section 8.18 shall control and be binding.

(b) Statute of Frauds. Under Oregon law, most agreements, promises and commitments made 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 to be enforceable.

(c) Insurance.

ORS 746.201 WARNING

UNLESS GRANTOR PROVIDES BENEFICIARY WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY THE LOAN DOCUMENTS, 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 COLLATERAL BECOMES DAMAGED, THE COVERAGE BENEFICIARY PURCHASES MAY NOT PAY ANY CLAIM GRANTOR MAKES OR ANY CLAIM MADE AGAINST GRANTOR. GRANTOR MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT GRANTOR HAS OBTAINED PROPERTY COVERAGE ELSEWHERE.

GRANTOR IS RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY BENEFICIARY. THE COST OF THIS INSURANCE MAY BE ADDED TO THE SECURED OBLIGATIONS. IF THE COST IS ADDED TO THE SECURED OBLIGATIONS, THE INTEREST RATE ON THE SECURED OBLIGATIONS WILL APPLY TO THIS ADDED AMOUNT. 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.

(d) Land Use Disclaimer.

ORS 93.040 WARNING.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, GRANTOR HAS INQUIRED ABOUT GRANTOR'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 TRUST PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, GRANTEE HAS CHECKED WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE TRUST PROPERTY IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, HAS VERIFIED THE APPROVED USES OF THE LOT OR PARCEL, HAS

DETERMINED ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND HAS INQUIRED 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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

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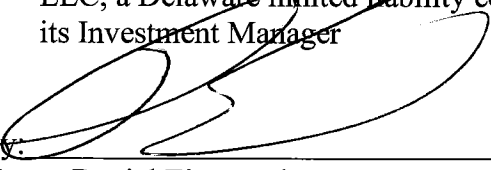
IN WITNESS WHEREOF, Grantor has executed this Deed of Trust as of the date first above written.

GRANTOR:

TERRAVET KLAMATH EAST LLC,
a Delaware limited liability company

By: Terravet Real Estate Fund III LP, a Delaware
limited partnership, its Sole Member

By: Calico Real Estate Management Company II
LLC, a Delaware limited liability company,
its Investment Manager

By: 

Name: Daniel Eisenstadt
Its: Manager

GRANTOR ACKNOWLEDGEMENT

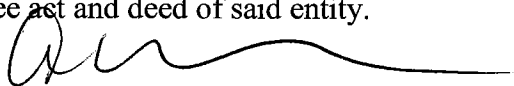
STATE OF PENNSYLVANIA

ss.

COUNTY OF MONTGOMERY

On July 12, 2021, before me, Aisha Sladek, personally appeared Daniel Eisenstadt who acknowledged that he is the Manager of Calico Real Estate Management Company II LLC, a Delaware limited liability company, which is the Investment Manager of Terravet Real Estate Fund III LP, a Delaware limited partnership, which is the Sole Member of TERRAVET KLAMATH EAST LLC, a Delaware limited liability company, the within named bargainor, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity as his free act and deed, and that by his signature on the instrument, the entity upon behalf of which the person acted executed the instrument as the free act and deed of said entity.

[SEAL]


Notary Public

My Commission Expires: 7/20/22

Commonwealth of Pennsylvania - Notary Seal
AISHA SLADEK, Notary Public
Montgomery County
My Commission Expires July 20, 2022
Commission Number 1223199

EXHIBIT "A"

A parcel of land situated in the NE1/4 SW1/4 of Section 1, Township 39 South, Range 9 East, Willamette Meridian, more particularly described as follows:

Beginning at a point which bears North 0° 51' West 462.3 feet, North 89° 06' East 262.2 feet, and South 46° 09' East 198.4 feet from the Southwest corner of said NE1/4 SW1/4; thence continuing South 46° 09' East a distance of 106.0 feet to the TRUE POINT OF BEGINNING of this description; thence continuing South 46° 09' East a distance of 124.0 feet to a 5/8" iron pin; thence North 43° 51' East a distance of 384.0 feet to the Southerly right-of-way line of the Klamath Falls-Lakeview Highway, 30 feet Southwesterly at right angles from its center-line; thence North 46° 09' West, along said right-of-way line, a distance of 124.0 feet to a 1/2" iron pin; thence South 43° 51' West a distance of 384.0 feet, more or less, to the point of beginning.

LESS AND EXCEPTING THEREFROM that portion thereof conveyed to STATE OF OREGON, by and through its Department of Transportation, Highway Division, by deed recorded in Volume M-73, page 15379, Microfilm Records of Klamath County, Oregon.