2022-011792

Klamath County, Oregon 09/30/2022 12:40:02 PM

Fee: \$177.00

Drawn By and Return To: Timothy W. Corrigan, Esq. Moore & Van Allen PLLC Bank of America Corporate Center 100 North Tryon Street, Suite 4700 Charlotte, North Carolina 28202-4003

LINE OF CREDIT TRUST DEED

3100 Hilyard Avenue, Klamath Falls, OR

STATE OF OREGON

COUNTY OF KLAMATH

MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED UNDER THE INDEBTEDNESS IS \$85,000,000.00 (which may be exceeded by advances to complete construction pursuant to ORS 86.155(2)(c)).

THE LATEST MATURITY DATE OF THE INDEBTEDNESS, EXCLUSIVE OF ANY OPTION TO RENEW OR EXTEND SUCH MATURITY DATE, IS SEPTEMBER 30, 2032.

THIS DEED OF TRUST COVERS GOODS WHICH ARE OR ARE TO BECOME FIXTURES, IS EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING IN ACCORDANCE WITH ORS 79.0502 AND IS TO BE FILED IN THE REAL ESTATE RECORDS AND ALSO INDEXED AS A FINANCING STATEMENT.

Tax account numbers of Premises: R542050

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

THIS DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF LEASES AND RENTS AND FIXTURE FILING (this "Deed of Trust") is made and entered into as of the 30th day of September, 2022, from UMPQUA FRESH PROPERTIES, LLC, an Oregon limited liability company, with an address of 250 E Belmont Ave., Fresno, California 93701, Attn: Scott W. Shehadey (the "Grantor"), as trustor, to FIRST AMERICAN TITLE INSURANCE COMPANY, as trustee (the "Trustee"), whose mailing address is 1850 Mt. Diablo Blvd., Suite 530, Walnut Creek, California 94596, for the benefit of AMERICAN AGCREDIT, FLCA, a federal land credit association, in its capacity as Administrative Agent for the holders of the Obligations (as defined in the Loan Agreement), with an address of 5560 South Broadway, Eureka, California 95503, Attention: Producers Dairy Loan Servicer (in such capacity, together with any successors and permitted assigns, the "Agent"), as beneficiary.

RECITALS:

WHEREAS, Producers Dairy Foods, Inc., a California corporation, and Shehadey Family Foods, LLC, a Nevada limited liability company, as the borrowers (the "Borrowers"), and certain guarantors (collectively, the "Guarantors"), have entered into that certain Loan Agreement of even date herewith among the Borrowers, the Guarantors, the Lenders from time to time party thereto and American AgCredit, FLCA, a federal land credit association, as Administrative Agent and a Lender (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"; capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Loan Agreement);

WHEREAS, the Grantor is the owner of the fee simple interest in the real property described on Exhibit A attached hereto and incorporated herein by reference;

WHEREAS, the Grantor will materially benefit from the loan being made to the Borrowers pursuant to the Loan Agreement; and

WHEREAS, the Grantor is required to execute and deliver this Deed of Trust pursuant to the Loan Agreement.

$\underline{\mathbf{W}}\underline{\mathbf{I}}\underline{\mathbf{T}}\underline{\mathbf{N}}\underline{\mathbf{E}}\underline{\mathbf{S}}\underline{\mathbf{S}}\underline{\mathbf{E}}\underline{\mathbf{T}}\underline{\mathbf{H}}$:

The Grantor, in consideration of the indebtedness herein recited and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has irrevocably granted, released, sold, remised, bargained, assigned, pledged, warranted, mortgaged, transferred and conveyed, and does hereby grant to Trustee and Trustee's successors and assigns, in trust, with power of sale, for the benefit of Agent, a continuing security interest in and to, and lien upon, all of the Grantor's right, title and interest in and to the following described land, real property interests, buildings, improvements, fixtures, crops and other collateral:

- (a) All those tracts or parcels of land and other real property interests in Klamath County, Oregon, as more particularly described in Exhibit A attached hereto and made a part hereof, together with all of the Grantor's right, title and interest in, to and under all rights of way or use, strips and gores, easements, privileges and appurtenances relating or appertaining to such real estate and all water and water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant), sewer and sewer rights, air rights and development rights, ditches and ditch rights, minerals, oil and gas rights, royalties, lease or leasehold interests owned by the Grantor, now or hereafter used in connection with or appurtenant to or related to such real estate, and all interests of the Grantor now owned or hereafter acquired in and to streets, roads, alleys and public places, now or hereafter used in connection with such real estate, and all existing or future licenses, contracts, permits and agreements required or used in connection with the ownership, operation or maintenance of such real estate (collectively, the "Land");
- (b) All buildings and improvements of every kind and description now or hereafter erected or placed on the Land (the "Improvements") and all materials intended for construction, reconstruction, alteration and repair of such Improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the premises hereby conveyed immediately upon the delivery thereof to the aforesaid Land, and all fixtures now or hereafter owned by the Grantor and located on or attached to or contained in and used in connection with the aforesaid Land and Improvements (collectively, the "Fixtures"), and all articles of personal property now or hereafter owned by the Grantor and attached to or contained in and used in

connection with the aforesaid Land and Improvements (including, but not limited to, all furniture, furnishings, apparatus, machinery, equipment, motors, elevators, fittings, radiators, ranges, refrigerators, awnings, shades, screens, blinds, carpeting, office equipment and other furnishings and all plumbing, heating, lighting, cooking, laundry, ventilating, refrigerating, incinerating, air conditioning and sprinkler equipment and fixtures and appurtenances thereto), and all renewals or replacements thereof or articles in substitution thereof, whether or not the same are or shall be attached to the Land and Improvements in any manner (the "Tangible Personalty") and all proceeds of the Tangible Personalty, and all appurtenances to the Land (the "Appurtenances") and all proceeds and products of the Land, including casualty and condemnation proceeds (collectively, the "Proceeds");

- (c) All carbon credits, carbon sequestration units, carbon financial instrument contracts, renewal energy credits and the like arising out of methane capture, carbon sequestration and renewal energy systems, including without limitation credits tradable under any greenhouse gases commodity exchange such as, by way of example and not limitation, trading units commonly referred to as Exchange Soil Offsets (XSOs), Exchange Methane Offsets (XMOs) and Exchange Forest Offsets (XFOs) under the Chicago Climate Exchange (CCX) (collectively, the "Carbon Credits");
 - (d) All Water Assets (as defined below); and
- (e) All right, title and interest of the Grantor, now owned or hereafter acquired, with respect to crops now located on or hereafter planted or growing in the soil of, or otherwise attributable to, the Land, or any part or parcel thereof, and all additions, substitutions and replacements thereof (the "Crops") (hereinafter, the Land, the Improvements, the Fixtures, the Tangible Personalty, the Appurtenances, the Proceeds, the Carbon Credits, the Water Assets and the Crops may be collectively referred to as the "Premises").

"Water Assets" shall mean all right, title, and interest at any time of the Grantor (or any of its bailers, agents, or instrumentalities), whether now existing or hereafter arising or acquired, whether direct or indirect, whether owned legally, of record, equitably or beneficially, whether constituting real or personal property (or subject to any other characterizations), whether created or authorized under existing or future laws or regulations, and however arising in, including without limitation, the following:

All water (including any water inventory in storage), water rights and entitlements, other rights to water and other rights to receive water or water rights of every kind or nature whatsoever including (a) the groundwater on, under, pumped from or otherwise available to the Premises (as defined below), whether as the result of groundwater rights, contractual rights or otherwise, (b) the Grantor's right to remove and extract any such groundwater including any permits, rights or licenses granted by any governmental authority or agency or any rights granted or created by any use, easement, covenant, agreement, or contract with any person or entity, (c) any rights to which the Premises is entitled with respect to surface water, whether such right is appropriative, riparian, prescriptive, decreed or otherwise and whether or not pursuant to permit or other governmental authorization, or the right to store any such water, and (d) any water, water right, water allocation, distribution right, delivery right, water storage right, or other water-related entitlement appurtenant or otherwise applicable to the Premises by virtue of the Premises being situated within the boundaries of any district, agency, or other governmental entity or within the boundaries of any private water company, mutual water company, or other non-governmental entity;

- (ii) All stock, interest or rights (including any water allocations, voting or decision rights) in any entity, together with any and all rights from any entity or other person to acquire, receive, exchange, sell, lease, or otherwise transfer any Water Assets, to store, deposit or otherwise create water credits in a water bank or similar or other arrangement for allocating water, to transport or deliver water, or otherwise to deal with any Water Asset;
- (iii) All licenses, permits, approvals, contracts, decrees, rights and interests to acquire or appropriate any Water Assets, water bank or other credits evidencing any right to Water Assets, to store, carry, transport or deliver Water Assets, to sell, lease, exchange, or otherwise transfer any Water Asset, or to change the point for diversion of water, the location of any Water Asset, the place of use of any Water Asset, or the purpose of the use of any Water Asset;
- (iv) All rights, claims, causes of action, judgments, awards, and other judicial, arbiter or administrative relief in any way relating to any Water Asset;
- (v) All storage and treatment rights for any Water Asset, whether on or off the Premises or other property of the Grantor, together with all storage tanks, and other equipment used or usable in connection with such storage and any water bank deposit credits, deposit accounts or other rights arising on account of the storage or nonuse of any Water Asset:
- (vi) All rights to transport, carry, allocate or otherwise deliver Water Assets by any means wherever located;
- (vii) All irrigation and watering equipment and all systems, ditches, laterals, conduits, and rights-of-way used to convey such water or to drain the Premises;
- (viii) All guaranties, warranties, marketing, management or service contracts, indemnity agreements, and water right agreements, other water related contracts and water reallocation rights, all insurance policies regarding or relating to any Water Asset; and
- (ix) All rents, issues, profits, proceeds and other accounts, instruments, chattel paper, contract rights, general intangibles, deposit accounts, and other rights to payment arising from or on account of any use, nonuse, sale, lease, transfer or other disposition of any Water Asset.

References to "water" and "water rights" are used herein in the broadest and most comprehensive sense of the term(s). The term "water" includes water rights and rights to water or whatever rights to money, proceeds, property or other benefits are exchanged or received for or on account of any Water Assets or any conservation or other nonuse of water, including whatever rights are achieved by depositing one's share of any Water Assets in any water bank or with any water authority, or any other water reallocation rights.

TO HAVE AND HOLD the same, together with all privileges, hereditaments, easements and appurtenances thereunto belonging, subject to the Permitted Liens, to the Trustee and the Trustee's successors and assigns to secure the Indebtedness (hereinafter defined) and other obligations herein recited; provided that, should the Indebtedness secured hereby be paid in full after all Term Loan Commitments and Revolving Commitments have expired or terminated, the lien and security interest of

this Deed of Trust shall cease, terminate and be void and Agent shall promptly cause a release of this Deed of Trust to be filed in the appropriate office; and until such obligations are fully satisfied, it shall remain in full force and effect.

And, as additional security for the Indebtedness, the Grantor hereby irrevocably assigns to the Agent all the security deposits, rents, issues, profits and revenues of the Premises from time to time accruing (the "Rents and Profits") which assignment constitutes a present, absolute and unconditional assignment and not an assignment for additional security only. Notwithstanding the foregoing, so long as no Event of Default (as defined in Article III) shall exist, the Grantor shall have a license (which license shall terminate automatically and without notice upon the occurrence and during the continuance of an Event of Default) to collect, but not prior to accrual, all Rents and Profits. In the event, however, that the Grantor shall cure any such Event of Default, then the license granted under this paragraph shall be reinstated unless and until another Event of Default occurs, at which time the license shall again terminate.

As additional collateral and further security for the Indebtedness, the Grantor does hereby assign to Agent and grants to Agent a security interest in all of the right, title and the interest of the Grantor in and to any and all insurance policies and proceeds thereof and any and all leases (including equipment leases), rental agreements, management contracts, franchise agreements, construction contracts, architects' contracts, technical services agreements, or other contracts, licenses and permits to the extent now or hereafter relating solely to the Premises (the "Intangible Personalty") or any part thereof, and the Grantor agrees to execute and deliver to the Agent such additional instruments, in form and substance reasonably satisfactory to the Agent, as may hereafter be requested by the Agent to evidence and confirm said assignment; provided, however, that acceptance of any such assignment shall not be construed as a consent by the Agent to any lease, rental agreement, management contract, franchise agreement, construction contract, technical services agreement or other contract, license or permit, or to impose upon the Agent any obligation with respect thereto. Notwithstanding the foregoing provisions, such assignment and grant of security interest contained herein shall not extend to, and the Intangible Personalty shall not include, any personalty which is now or hereafter held by the Grantor as licensee. lessee or otherwise, to the extent that (a) such personalty is not assignable or capable of being encumbered as a matter of law or under the terms of the license, lease or other agreement applicable thereto (but solely to the extent that any such restriction shall be enforceable under applicable law), without the consent of the licensor or lessor thereof or other applicable party thereto and (b) such consent has not been obtained; provided, however, that the foregoing assignment and grant of security interest shall extend to, and the Intangible Personalty shall include, any and all proceeds of such personalty to the extent that the assignment or encumbering of such proceeds is not so restricted under the terms of the license, lease or other agreement applicable thereto.

All the Tangible Personalty which comprises a part of the Premises shall, as far as permitted by law, be deemed to be affixed to the aforesaid Land and conveyed therewith. The Grantor hereby grants to the Agent as security for the Indebtedness a security interest in (i) the Tangible Personalty, (ii) the Fixtures, (iii) the Rents and Profits, (iv) the Carbon Credits, (v) the Water Assets, (vi) the Crops and (vii) the Intangible Personalty, and this Deed of Trust shall be considered to be a security agreement which creates a security interest in such items for the benefit of the Agent. In that regard, the Grantor grants to the Agent all of the rights and remedies of a secured party under the laws of the state in which the Premises are located.

The Grantor, the Trustee and the Agent covenant, represent and agree as follows:

ARTICLE I

Indebtedness Secured

- 1.1 <u>Indebtedness.</u> The Agent and the Lenders have established Eighty-Five Million and No/100 Dollars (\$85,000,000.00) in senior secured credit facilities in favor of the Borrowers pursuant to the terms of the Loan Agreement. This Deed of Trust is given to secure the payment and performance by the Borrowers and the other Loan Parties of (a) all obligations under each Note, the Loan Agreement, this Deed of Trust and the other Loan Documents to any Lender or Agent, (b) all obligations and liabilities incurred in connection with the collection and enforcement of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof pursuant to any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding and (c) all other Obligations (all of which whether now existing or hereafter arising, collectively, the "Indebtedness").
- 1.2 <u>Future Advances</u>. This Deed of Trust is given to secure the Indebtedness together with each advance of any Loan, any renewals or extensions or modifications thereof upon the same or different terms or at the same or different rate of interest and also to secure all future advances and readvances that may subsequently be made to the Borrowers or any other Loan Party by the Lenders evidenced by any Note given in connection with the aforesaid Loan Agreement, and all renewals, modifications, replacements and extensions thereof.

ARTICLE II

Grantor's Covenants, Representations and Agreements

- 2.1 <u>Title to Property</u>. The Grantor represents and warrants to the Agent (i) that it is seized of the Land and the Improvements and has indefeasible fee simple title to the Land and the Improvements and has the right to encumber and convey the same, and title to such Land and Improvements is free and clear of all liens and encumbrances except for Permitted Liens and such defects in title as could not individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (ii) that it will warrant and defend the title to such property except for the Permitted Liens and such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect against the claims of all Persons. As to the balance of the Premises, the Rents and Profits and the Intangible Personalty, the Grantor represents and warrants that it will defend such property against the claims of all Persons other than the Agent subject to the Permitted Liens and such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.
- 2.2 <u>Taxes and Fees</u>. The Grantor will pay prior to delinquency all taxes, general and special assessments, permit fees, inspection fees, user fees, license fees, water and sewer charges, and franchise fees lawfully levied, imposed or asserted by the United States of America or any state, county, municipality or other taxing authority upon the Grantor in respect of the Premises or any charge which, if unpaid, would become a lien or charge upon the Premises prior to or equal to the lien of this Deed of Trust for any amounts secured hereby or which would have priority or equality with this Deed of Trust in the distribution of the proceeds of any foreclosure sale of the Premises, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Grantor (collectively, "Governmental Assessments"), and all insurance premiums due and payable in connection with maintaining the insurance required under

- Section 2.7(a) as required by the terms and conditions of the Loan Agreement (and the Grantor, upon request of the Agent, will submit to the Agent receipts evidencing said payments). The Grantor shall also pay all mortgage taxes, recording fees and all other costs and expenses, if any, due or payable in connection with the execution, delivery and/or recording of this Deed of Trust and in connection with any advance secured by this Deed of Trust.
- 2.3 Reimbursement. Subject to the right of the Grantor set forth in Section 2.2 to contest any tax assessment or charge, the Grantor agrees that if it shall fail to pay on or before the date that the same become delinquent any Governmental Assessment or any utility charge, whether public or private, or any insurance premium, on or prior to the cancellation date of such insurance, or if it shall fail to procure the insurance coverage and deliver the insurance certificates required hereunder, or if it shall fail to pay any other charge or fee described in Sections 2.2 or 2.6 hereof, then the Agent, at its option, may pay or procure the same and will give the Grantor prompt notice of any such expenditures. The Grantor will reimburse the Agent within thirty (30) days of demand for any sums of money paid by the Agent pursuant to this Section, together with interest on each such payment at the Default Rate, and all such sums and interest thereon shall be secured hereby.
- 2.4 <u>Fees and Expenses</u>. Subject to any specific limitations and restrictions thereon set forth in the Loan Documents, the Grantor will promptly pay upon demand any and all reasonable costs and expenses of the Agent and the Trustee in connection with the enforcement of this Deed of Trust, including, without limitation, reasonable attorneys' fees actually incurred by Agent, and as necessary to protect the Premises, the Rents and Profits or the Intangible Personalty in accordance with Section 5.6 hereof. All of the foregoing costs and expenses shall be secured hereby.
- 2.5 <u>Leases and Other Agreements</u>. Without first obtaining on each occasion the written approval of the Agent, the Grantor shall not enter into, cancel, surrender or materially modify or permit the cancellation of any material lease now or hereafter affecting the Premises, or materially modify any of said instruments. The Grantor shall faithfully keep and perform, or cause to be kept and performed, in all material respects, all of the covenants, conditions, and agreements contained in each of said material leases now or hereafter existing on the part of the Grantor to be kept and performed (including performance of all covenants to be performed under any and all leases of the Premises or any part thereof) and shall at all times use commercially reasonable efforts to enforce, with respect to each other party to said agreements, all material obligations, covenants and agreements by such other party to be performed thereunder.
- 2.6 <u>Maintenance of Premises</u>. The Grantor will abstain from and will not permit the commission of any material waste in or about the Premises.

2.7 Insurance.

- (a) <u>Types Required</u>. The Grantor shall maintain insurance for the Premises as set forth in Section 6.6 of the Loan Agreement.
- (b) <u>Use of Proceeds</u>. The Grantor assigns to the Agent any proceeds which may become due by reason of any material loss, damage to or destruction of the Premises to which the Grantor is entitled. Notwithstanding the foregoing, provided no Event of Default has occurred and is continuing, the Grantor shall have the right to collect any insurance proceeds and to apply such proceeds to the restoration of the Premises. To the extent such proceeds are applied to the repayment of the balance due under the Obligations, if such proceeds exceed the balance due under the Obligations, any such excess shall be repaid to the Grantor.

- Eminent Domain. The Grantor assigns to the Agent any proceeds or awards which may become due by reason of any condemnation or other taking for public use of the whole or any part of the Premises or any rights appurtenant thereto to which the Grantor is entitled. Notwithstanding the foregoing, provided no Event of Default has occurred and is continuing, the Grantor shall have the right to collect any condemnation proceeds and to apply such proceeds to the restoration of the Premises. To the extent such proceeds are applied to the repayment of the balance due under the Obligations, if such proceeds exceed the balance due under the Obligations, any such excess shall be repaid to the Grantor. The Grantor agrees to execute such further assignments and agreements as may be reasonably required by the Agent to assure the effectiveness of this Section. In the event any Governmental Authority shall require or commence any proceedings for the demolition of any buildings or structures comprising a part of the Premises, or shall commence any proceedings to condemn or otherwise take pursuant to the power of eminent domain a material portion of the Premises, the Grantor shall promptly notify the Agent of such requirements or commencement of proceeding (for demolition, condemnation or other taking). Notwithstanding the foregoing, provided no Event of Default has occurred and is continuing, the Grantor shall have the right to collect and retain any such proceeds or awards.
- 2.9 Releases and Waivers. The Grantor agrees that no release by the Agent of any portion of the Premises, the Rents and Profits or the Intangible Personalty, no subordination of lien, no forbearance on the part of the Agent to collect on any Loan, or any part thereof, no waiver of any right granted or remedy available to the Agent and no action taken or not taken by the Agent shall, except to the extent expressly released, in any way have the effect of releasing the Grantor from full responsibility to the Agent for the complete discharge of each and every of the Grantor's obligations hereunder.
- 2.10 <u>Transfer of Premises</u>. Other than in connection with a disposition permitted under Section 6.13 of the Loan Agreement and Section 2.5 of this Deed of Trust, the Grantor covenants and agrees with the Agent that the Grantor shall not sell, transfer, convey, mortgage, encumber or otherwise dispose of the Premises, the Rents and Profits or the Intangible Personalty or any part thereof or any interest therein or engage in subordinate financing with respect thereto during the term of this Deed of Trust without the prior written consent of the Agent, except for easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary use of the Premises by the Grantor.

2.11 Compliance with Law.

- (a) The Grantor will comply with the requirements of all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all governmental authorities in respect of the ownership of the Premises, except in such instances in which (a) such requirements of statutes, regulations and orders of, or such restrictions, are being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.
- (b) The Grantor will comply, and cause all lessees and other Persons operating or occupying the Premises to comply, in all material respects, with all applicable Environmental Laws and environmental permits; obtain and renew all environmental permits necessary for its operations and properties; and conduct any investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other action necessary to remove and clean up all Hazardous Materials from the Premises, in accordance with the requirements of all Environmental Laws; provided, however, that no Grantor shall be required to undertake any such cleanup, removal, remedial or other action to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances in accordance with GAAP.

2.12 <u>Inspection</u>. The Grantor will permit the Agent, or its agents, at all reasonable times and with advance prior notice to enter and pass through or over the Premises for the purpose of inspecting same; provided, however, so long as no Event of Default has occurred and is continuing inspections shall be at reasonable times during the Grantor's normal business hours. Unless an Event of Default has occurred and is then continuing, the Grantor shall not be required to pay the costs and expenses associated with such inspection during any 12- month period. The Agent, or its agents, will exercise commercially reasonable efforts to minimize disruption to the business operations of the Grantor and its tenants and licensees during such inspections.

2.13 Security Agreement.

- (a) This Deed of Trust is hereby made and declared to be a security agreement, encumbering each and every item of Tangible Personalty, Fixtures, Carbon Credits, Water Assets and Crops included herein, and Grantor hereby grants to Agent a security interest in such Tangible Personalty, Fixtures, Carbon Credits, Water Assets and Crops in compliance with the provisions of the UCC. A financing statement or statements reciting this Deed of Trust to be a security agreement, affecting all of said Tangible Personalty, Fixtures, Carbon Credits, Water Assets and Crops shall be appropriately filed by Agent. Grantor hereby authorizes the Agent to file financing statements in any jurisdiction and with any filing office that the Agent may determine, in its sole discretion, is necessary or advisable to perfect the security interests granted herein. Such financing statements may describe or indicate the collateral to the extent a security interest therein is granted hereby, including without limitation the description "All goods of the debtor that are or are to become fixtures located on the Land, whether now owned or hereafter acquired by Debtor and whether now or hereafter located on the Land" or words of similar import. To the extent permitted by applicable law, the remedies for any violation of the covenants, terms and condition of the security agreement herein contained shall be (i) as prescribed herein or (ii) as prescribed by general law or (iii) as prescribed by the specific statutory consequences now or hereafter enacted and specified under the UCC, all at Agent's sole election and except, as to clauses (ii) and (iii), as may be specifically limited or modified under this Deed of Trust or any other Loan Document. The Grantor and the Agent agree that the filing of such financing statement(s) in the records normally having to do with personal property shall never be construed as in anywise derogating from or impairing this declaration. Similarly, the mention in any such financing statement(s) of the rights in and to (a) the proceeds of any fire or hazard insurance policy or (b) any award in eminent domain proceedings for a taking or for loss of value or (c) the Grantor's interest as lessor in any present or future lease or rights to income growing out of the use or occupancy of the Premises, whether pursuant to lease or otherwise, shall never be construed as in anywise altering any of the rights of the Grantor or the Agent as determined by this instrument or impugning the priority of the Agent's lien granted hereby or by any other recorded document, but such mention in such financing statement(s) is declared to be for the protection of the Agent in the event any court shall at any time hold with respect to the foregoing (a) or (b) or (c), that notice of the Agent's priority of interest to be effective against a particular class of persons, must be filed in the UCC records, provided, if there is a conflict between the terms of this paragraph and the terms of the Loan Agreement, the Loan Agreement shall govern.
- (b) The Grantor warrants that the name and address of the "Debtor" (which is the Grantor), are as set forth in the preamble to this Deed of Trust; and a statement indicating the types, or describing the items, of collateral is set forth hereinabove. Grantor warrants that Grantor's exact legal name is correctly set forth in the preamble of this Deed of Trust. The Grantor agrees to furnish the Agent with notice of any change in the name, identity, corporate structure, residence, principal place of business or mailing address of the Grantor within ten (10) days of the effective date of any such change and the Grantor will promptly take any action reasonably deemed necessary by the Agent to prevent any filed financing statement from becoming misleading or losing its perfected status.

ARTICLE III

Events of Default

An "Event of Default" shall exist under the terms of this Deed of Trust upon the occurrence and during the continuance of an Event of Default (as defined in the Loan Agreement).

ARTICLE IV

Foreclosure

- 4.1 <u>Acceleration of Secured Indebtedness; Foreclosure.</u> Upon the occurrence and during the continuance of an Event of Default, the entire balance of the Indebtedness shall, at the option of the Agent, become immediately due and payable. Upon failure to pay the Indebtedness or reimburse any other amounts due under the Loan Documents in full at any stated or accelerated maturity and in addition to all other remedies available to the Agent at law or in equity, the Agent may do any of the following:
- Give such notice of default and of election to cause the Premises (together with the Rents (a) and Profits, Intangible Personalty and all other property subject to this Deed of Trust) to be sold as may be required by law or as may be necessary to cause the Trustee to exercise the power of sale granted herein. The Trustee shall then record and give such notice of trustee's sale as then required by law and, after the expiration of such time as may be required by law, may sell the property subject to this Deed of Trust at the time and place specified in the notice of sale, as a whole or in separate parcels as directed by the Agent, or by the Grantor to the extent required by law, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale, all in accordance with applicable law. The Trustee, from time to time, may postpone or continue the sale of all or any portion of the property subject to this Deed of Trust by public declaration at the time and place last appointed for the sale. No other notice of the postponed sale shall be required except as required by applicable law. Upon any sale, the Trustee shall deliver its deed conveying the property sold, without any covenant or warranty, express or implied, to the purchaser or purchasers at the sale. The recitals in such deed of any matters or facts shall be conclusive as to the accuracy thereof. Any person, including the Grantor, the Trustee or the Agent, may purchase at the sale.
- (b) Commence proceedings for foreclosure of this Deed of Trust in the manner provided by law for the foreclosure of a real property mortgage or deed of trust.
- 4.2 <u>Proceeds of Sale</u>. The proceeds of any foreclosure sale of the Premises, or any part thereof, will be distributed and applied in accordance with the terms and conditions of the Loan Agreement (subject to any applicable provisions of applicable law).
- 4.3 <u>Trustee's Fees</u>. If a foreclosure proceeding is commenced by the Trustee but terminated prior to its completion, the Trustee shall be entitled to a reasonable fee in accordance with applicable law.

ARTICLE V

Additional Rights and Remedies of the Agent

5.1 <u>Rights Upon an Event of Default</u>. Upon the occurrence and during the continuance of an Event of Default, the Agent, immediately and without additional notice and without liability therefor to

the Grantor, except for gross negligence, willful misconduct or unlawful conduct, may do or cause to be done any or all of the following to the extent permitted by applicable law: (a) exercise its right to collect the Rents and Profits; (b) enter into contracts for the completion, repair and maintenance of the Improvements thereon; (c) expend Loan funds and any rents, income and profits derived from the Premises for the payment of any taxes, insurance premiums, assessments and charges for completion, repair and maintenance of the Improvements, preservation of the lien of this Deed of Trust and satisfaction and fulfillment of any liabilities or obligations of the Grantor arising out of or in any way connected with the Premises whether or not such liabilities and obligations in any way affect, or may affect, the lien of this Deed of Trust; (d) take such steps to protect and enforce the specific performance of any covenant, condition or agreement in the Notes, this Deed of Trust, the Loan Agreement or the other Loan Documents, or to aid the execution of any power herein granted; and (e) generally, supervise, manage, and contract with reference to the Premises as if the Agent were equitable owner of the Premises. Notwithstanding the occurrence of an Event of Default or acceleration of any Loan, the Agent shall continue to have the right to pay money, whether or not Loan funds, for the purposes described in Sections 2.2, 2.4 and 2.6 hereof, and all such sums and interest thereon shall be secured hereby. The Grantor also agrees that any of the foregoing rights and remedies of the Agent may be exercised at any time during the continuance of an Event of Default independently of the exercise of any other such rights and remedies, and the Agent may continue to exercise any or all such rights and remedies until the Event(s) of Default are cured, until foreclosure and the conveyance of the Premises to the high bidder or until the Loan Agreement is no longer in effect or the Indebtedness is otherwise satisfied or paid in full, whichever occurs first.

- 5.2 Appointment of Receiver. Upon the occurrence and during the continuance of an Event of Default, the Agent shall be entitled, without additional notice and without regard to the adequacy of any security for the Indebtedness secured hereby, whether the same shall then be occupied as a homestead or not, or the solvency of any party bound for its payment, to make application for the appointment of a receiver to take possession of and to operate the Premises, and to collect the rents, issues, profits, and income thereof, all expenses of which shall be added to the Indebtedness and secured hereby. The receiver shall have all the rights and powers provided for under the laws of the state in which the Premises are located, including without limitation, the power to execute leases, and the power to collect the rents, sales proceeds, issues, profits and proceeds of the Premises during the pendency of such foreclosure suit, as well as during any further times when the Grantor, its successors or assigns, except for the intervention of such receiver, would be entitled to collect such rents, sales proceeds, issues, proceeds and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. All costs and expenses (including receiver's fees, reasonable attorneys' fees and costs incurred in connection with the appointment of a receiver) shall be secured by this Deed of Trust. Notwithstanding the appointment of any receiver, trustee or other custodian, the Agent shall be entitled to retain possession and control of any cash or other instruments at the time held by or payable or deliverable under the terms of this Deed of Trust to the Agent to the fullest extent permitted by law.
- 5.3 <u>Waivers</u>. No waiver of any Event of Default shall at any time thereafter be held to be a waiver of any rights of the Agent stated anywhere in the Notes, this Deed of Trust, the Loan Agreement or any of the other Loan Documents, nor shall any waiver of a prior Event of Default operate to waive any subsequent Event(s) of Default. All remedies provided in this Deed of Trust, the Notes, the Loan Agreement or any of the other Loan Documents are cumulative and may, at the election of the Agent, be exercised alternatively, successively, or in any manner and are in addition to any other rights provided by law.
- 5.4 <u>Delivery of Possession After Foreclosure</u>. In the event there is a foreclosure sale hereunder and at the time of such sale, the Grantor or the Grantor's heirs, devises, representatives,

successors or assigns are occupying or using the Premises, or any part thereof, each and all immediately shall become the tenant of the purchaser at such sale, which tenancy shall be a tenancy from day to day, terminable at the will of either landlord or tenant, at a reasonable rental per day based upon the value of the property occupied, such rental to be due daily to the purchaser; and to the extent permitted by applicable law, the purchaser at such sale, notwithstanding any language herein apparently to the contrary, shall have the sole option to demand possession immediately following the sale or to permit such occupants to remain as tenants at will. In the event the tenant fails to surrender possession of said property upon demand, the purchaser shall be entitled to institute and maintain a summary action for possession of the property (such as an action for forcible detainer) in any court having jurisdiction.

- 5.5 <u>Marshalling</u>. The Grantor hereby waives, in the event of foreclosure of this Deed of Trust or the enforcement by the Agent of any other rights and remedies hereunder, any right otherwise available in respect to marshalling of assets which secure any Loan and any other indebtedness secured hereby or to require the Agent to pursue its remedies against any other such assets.
- 5.6 <u>Protection of Premises.</u> If Grantor fails to perform the covenants and agreements contained in this Deed of Trust, and such failure continues beyond any applicable grace, notice and cure periods, except in the case of an emergency in which event Agent may act immediately, then, following reasonable notice to the Grantor, the Agent may take such actions, including, but not limited to, disbursements of such sums, as Agent in its sole reasonable discretion deems necessary to protect Agent's interest in the Premises.

ARTICLE VI

General Conditions

- 6.1 <u>Substitution of Trustee</u>. If, for any reason, the Agent shall elect to substitute for the Trustee herein named (or for any successor to said Trustee), the Agent shall have the right to appoint successor Trustee(s) by duly acknowledged written instruments, and each new Trustee immediately upon recordation of the instrument so appointing him shall become successor in title to the Premises for the uses and purposes of this Deed of Trust, with all the powers, duties and obligations conferred on the Trustee in the same manner and to the same effect as though he were named herein as the Trustee. If more than one Trustee has been appointed, each of such Trustees and each successor thereto shall be and hereby is empowered to act independently.
- 6.2 <u>Terms</u>. The singular used herein shall be deemed to include the plural; the masculine deemed to include the feminine and neuter; and the named parties deemed to include their heirs, successors and permitted assigns. The term "Agent" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.
- 6.3 <u>Notices</u>. The method and effectiveness of delivery of all notices, requests and other communications which relate to this Deed of Trust shall be governed by the terms of the Loan Agreement.
- 6.4 <u>Severability</u>. If any provision of this Deed of Trust is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

- 6.5 <u>Headings</u>. The captions and headings herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Deed of Trust nor the intent of any provision hereof.
- 6.6 <u>Conflicting Terms</u>. In the event the terms and conditions of this Deed of Trust conflict with the terms and conditions of the Loan Agreement, the terms and conditions of the Loan Agreement shall control and supersede the provisions of this Deed of Trust with respect to such conflicts.
- 6.7 <u>Governing Law</u>. This Deed of Trust shall be governed by and construed in accordance with the internal law of the state in which the Premises are located.
- 6.8 <u>Application of the Foreclosure Law</u>. If any provision in this Deed of Trust shall be inconsistent with any provision of the foreclosure laws of the state in which the Premises are located, the provisions of such laws shall take precedence over the provisions of this Deed of Trust, but shall not invalidate or render unenforceable any other provision of this Deed of Trust that can be construed in a manner consistent with such laws.

6.9 WRITTEN AGREEMENT.

- (a) THE RIGHTS AND OBLIGATIONS OF THE GRANTOR AND THE AGENT SHALL BE DETERMINED SOLELY FROM THIS WRITTEN DEED OF TRUST AND THE OTHER LOAN DOCUMENTS, AND ANY PRIOR ORAL OR WRITTEN AGREEMENTS BETWEEN THE AGENT AND THE GRANTOR CONCERNING THE SUBJECT MATTER HEREOF AND OF THE OTHER LOAN DOCUMENTS ARE SUPERSEDED BY AND MERGED INTO THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS.
- (b) THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS MAY NOT BE VARIED BY ANY ORAL AGREEMENTS OR DISCUSSIONS THAT OCCUR BEFORE, CONTEMPORANEOUSLY WITH, OR SUBSEQUENT TO THE EXECUTION OF THIS DEED OF TRUST OR THE OTHER LOAN DOCUMENTS.
- (c) THIS WRITTEN DEED OF TRUST AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.
- 6.10 WAIVER OF JURY TRIAL. THE AGENT AND THE GRANTOR HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS DEED OF TRUST. THIS WAIVER IS KNOWINGLY, INTENTIONALLY, AND VOLUNTARILY MADE BY THE AGENT AND THE GRANTOR, AND THE AGENT AND THE GRANTOR ACKNOWLEDGE THAT NO PERSON ACTING ON BEHALF OF ANOTHER PARTY TO THIS AGREEMENT HAS MADE ANY REPRESENTATIONS OF FACT TO INDUCE THIS WAIVER OF TRIAL BY JURY OR IN ANY WAY TO MODIFY OR NULLIFY ITS EFFECT. THE AGENT AND THE GRANTOR FURTHER ACKNOWLEDGE THAT THEY HAVE BEEN REPRESENTED (OR HAVE HAD THE OPPORTUNITY TO BE REPRESENTED) IN THE SIGNING OF THIS DEED OF TRUST AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, SELECTED OF THEIR OWN FREE WILL, AND THAT THEY HAVE HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

- 6.11 <u>Request for Notice</u>. The Grantor requests a copy of any statutory notice of default and a copy of any statutory notice of sale hereunder be mailed to the Grantor at the address specified in Section 6.3 of this Deed of Trust.
- 6.12 <u>State Specific Provisions</u>. In the event of any inconsistencies between this Section 6.12 and any of the other terms and provisions of this Deed of Trust, the terms and provisions of this Section 6.12 shall control and be binding.

With respect to the Premises which is located in the State of Oregon, notwithstanding anything contained herein to the contrary:

- (a) The Agent may foreclose this Deed of Trust like a mortgage and obtain a decree foreclosing the Grantor's interest in all or any part of the Premises. The Agent may also direct the Trustee, and the Trustee shall be empowered, to foreclose the Premises by advertisement and exercise of sale under applicable law. Should the Agent elect to foreclose by exercise of the power of sale herein contained, the Agent shall notify the Trustee and request that the Trustee commence such proceedings.
 - Upon receipt of such notice from the Agent, the Trustee shall cause to be recorded, published and delivered to the Grantor and served on occupant such Notice of Default and Election to Sell as shall then be required by law and by this Deed of Trust. The Trustee shall, without demand on the Grantor, after lapse of such time as may then be required by law and after recordation of such Notice of Default and after Notice of Sale having been given as required by law, sell the Premises at the time and place of sale fixed by the Trustee in said Notice of Sale, either as a whole, or in separate lots or parcels or items as the Trustee shall deem expedient, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States payable at the time of sale. The Trustee shall deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the Premises so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof in favor of a purchaser for value in good faith relying on them. Any person, including the Grantor or the Agent but excluding the Trustee, may purchase at such sale and the Grantor hereby covenants to warrant and defend the title of such purchaser or purchasers. In addition, the Agent may credit bid at any such sale an amount up to and including the full amount of the Indebtedness, including, without limitation, accrued and unpaid interest, principal, charges, advances made hereunder and the Trustee's fees and expenses.
 - (ii) After deducting all costs, fees and expenses of the Trustee and of this Deed of Trust, including costs of evidence of title in connection with sale, the Trustee shall apply the proceeds of sale in accordance with the provisions of ORS 86.794.
 - (iii) The Trustee may postpone sale of all or any portion of the Premises by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement or subsequently noticed sale and, with only such further notice as may be required under applicable law, make such sale at the time fixed by the last postponement; provided, however, any such postponement may be only for one or more periods totaling not more than 180 days from the original sale date.
- (b) The Agent may proceed in any sequence to exercise its rights hereunder with respect to all or any portion of the Premises.

- Should the Agent elect to cause any of the Premises which is subject to the Uniform Commercial Code as adopted in Oregon to be disposed of, it may dispose of any part thereof in any manner now or hereafter permitted by the Uniform Commercial Code as adopted in Oregon, or in accordance with any other remedy provided by applicable law. Any such disposition may be conducted by an employee or agent of the Agent or the Trustee. Any person, including both the Grantor and the Agent, shall be eligible to purchase any part or all of such Premises at such disposition. Any such disposition may be either by public or private sale as the Agent may elect, subject to the provisions of applicable law. The Agent shall also have the rights and remedies of a secured party under the Uniform Commercial Code as adopted in Oregon, or otherwise available at law or in equity. In furtherance of the foregoing, it is agreed that the expenses of retaking, holding, preparing for sale, selling or the like shall be borne by the Grantor and shall include the Agent's and the Trustee's reasonable, documented out-of-pocket attorneys' fees and legal expenses. The Grantor, upon demand of the Agent, shall assemble such Premises and make it available to the Agent at the Land, a place which is hereby deemed to be reasonably convenient to the Agent and the Grantor. The Agent shall give the Grantor at least ten (10) days' prior written notice of the time and place of any public sale or other disposition of such personalty or of the time of or after which any private sale or other intended disposition is to be made, and if such notice is sent to the Grantor, in the same manner as provided for the mailing of notices herein, it is hereby deemed that such notice shall be and is reasonable notice to the Grantor.
- (d) This Deed of Trust constitutes a financing statement filed as a fixture filing pursuant to the provisions of ORS 79.0502, with respect to those portions of the Premises consisting of goods which are or are to become fixtures relating to the Premises. The Grantor grants to the Agent a security interest in all Premises existing and future goods which are now or in the future become fixtures relating to the Premises and proceeds thereof. The Grantor covenants and agrees that the filing of this Deed of Trust in the real estate records of the county where the Land is located shall also operate from the date of such filing as a fixture filing in accordance with ORS 79.0502. Without the prior written consent of the Agent, the Grantor shall not create or suffer to be created pursuant to the Uniform Commercial Code as adopted in Oregon, any other security interest in such items, including replacements and additions thereto, other than as permitted pursuant to the terms of the Loan Agreement.
- (e) The Grantor waives to the extent permitted by applicable law, (i) the benefit of all laws now existing or that may hereafter be enacted providing for any appraisal before sale of any portion of the Premises, and (ii) 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 foreclosure of the liens hereby created.
- (f) If, for any reason, the Agent shall elect to substitute for the Trustee herein named (or for any successor to said Trustee), without limiting the Agent's right to use any other procedure authorized or permitted by applicable law, the Agent shall have the right to appoint successor Trustee(s) by duly acknowledged written instruments, and each such successor Trustee, immediately upon recordation of an instrument so appointing said successor Trustee, shall become successor in title to the Premises for the uses and purposes of this Deed of Trust, with all the powers, duties and obligations conferred on the Trustee in the same manner and to the same effect as though said successor Trustee were named herein as the Trustee. If more than one Trustee has been appointed, each of such Trustees and each successor thereto shall be, and hereby is, empowered to act independently.

(g) <u>WRITTEN AGREEMENTS</u>. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY US (LENDERS) CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES, OR SECURED SOLELY BY GRANTOR'S RESIDENCE, MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY US TO BE ENFORCEABLE.

(h) INSURANCE.

WARNING:

UNLESS YOU PROVIDE US WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY THE LOAN 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 LOAN BALANCE. IF THE COST IS ADDED TO YOUR LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING 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.

PROPERTY USE. 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, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

- (j) Request for Notice. The Grantor requests a copy of any statutory notice of default and a copy of any statutory notice of sale hereunder be mailed to the Grantor in accordance with Section 6.3 of this Deed of Trust.
- (k) <u>Not Residential Trust Deed</u>. The Grantor warrants that this Deed of Trust is not and will at all times continue not to be a residential trust deed (as that term is defined in ORS 86.705(6)).
- (l) Attorneys' Fees. In the event suit or action is instituted to enforce any of the terms of this Deed of Trust, the prevailing party shall be entitled to recover its reasonable, documented out-of-pocket attorneys' fees at trial, on any appeal, on any petition for review, in an arbitration proceeding, and in any bankruptcy proceeding in addition to all other sums provided by law. Whether or not any court action is involved, all reasonable out-of-pocket expenses incurred by the Agent that are necessary at any time in the Agent's reasonable opinion for the protection of its interest or the enforcement of its rights shall become a part of the obligations payable on demand and shall bear interest from the date of expenditure until repaid at the applicable rate of interest provided in the Loan Agreement. Expenses covered by this section include (without limitation) the out-of-pocket cost of searching records, obtaining title reports, surveyors' reports, attorneys' opinions, title insurance, and fees for the Trustee.
- (m) <u>Recourse.</u> Notwithstanding the generality of this Section 6.12(m), the Grantor's guaranty is nonrecourse and the Agent's sole remedy shall be to foreclose on this deed of trust and to receive the proceeds thereof. No deficiency judgment may be had or obtained against the Grantor.

PROVIDED ALWAYS, and it is the true intent and meaning of the Grantor and the Agent, that if the Indebtedness shall be fully and finally paid and discharged according to the terms of the Loan Documents, and all Term Loan Commitments and Revolving Commitments are terminated, then this Deed of Trust shall cease and be void, otherwise it shall remain in full force and virtue.

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

GRANTOR:

UMPQUA FRESH PROPERTIES, LLC, an Oregon limited liability company

Name: Scott Shehodry

Title: Manager

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF COLTONIA)

COUNTY OF TILMS

On September 2, 2022, before me,

(Here Insert Name and Title Of the Officer)

personally appeared_

Name(s) of Signers),

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_

Signature of Notary Public

Place Notary Seal Above

Exhibit A

PARCEL 1 OF LAND PARTITION 44-02 BEING A REPLAT OF PARCEL 1 OF LAND PARTITION 37-99 IN THE NORTHEAST 1/4 NORTHWEST 1/4 SECTION 10, TOWNSHIP 39 SOUTH RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF KLAMATH, STATE OF OREGON.