

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

By Alan Wayte
Dewey Ballantine LLP
Los Angeles, California

After Recordation This Deed of Trust
Should Be Returned To:

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

by and between

_____,
as Borrower

and

_____,
as Trustee

for the benefit of

_____,
as Lender

Property Known As

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

THIS FIRST DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING STATEMENT made this _____ day of _____, by and between _____, a _____ ("Borrower"), having its principal place of business at _____, and _____, a _____ ("Trustee"), having an office at _____, for the benefit of _____, a _____ ("Lender"), having an address at _____.

RECITALS

A. Lender agreed to make and Borrower agreed to accept a loan (the "Loan") in the maximum principal amount of \$_____.

B. To evidence the Loan, Borrower executed and delivered to Lender a Promissory Note (the "Note"), dated the date of this Deed of Trust, in the principal amount of _____ Dollars (\$_____) (that amount or so much as is outstanding from time to time is referred to as the "Principal"), promising to pay the Principal with interest thereon to the order of Lender as set forth in the Note and with the balance, if any, of the Debt being due and payable on _____ (the "Maturity Date").

C. To secure the Note, this Deed of Trust conveys, among other things, Borrower's fee interest in the real property located in the State of _____ more particularly described in Exhibit A (the "Land").

D. As of the date hereof, the Note is also secured by, among other

things, other First Deeds of Trust and Subordinate Deeds of Trust encumbering other properties owned by Borrower.

Article I: DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Definitions.

Capitalized terms used in this Deed of Trust are defined in Exhibit B or in the text with a cross-reference in Exhibit B.

Section 1.2. Rules of Construction.

This Deed of Trust will be interpreted in accordance with the rules of construction set forth in Exhibit C.

Article II: GRANTING CLAUSES

Section 2.1. Encumbered Property.

Borrower irrevocably grants, mortgages, warrants, conveys, assigns and pledges to Trustee in trust, WITH POWER OF SALE, and grants to Trustee a security interest in, the following property, rights, interests and estates now or in the future owned or held by Borrower (the "Property") for the uses and purposes set forth in this Deed of Trust:

- (i) the Land;
- (ii) all buildings and improvements located on the Land (the "Improvements");
- (iii) all easements; rights of way or use, including any rights of ingress and egress; streets, roads, ways, sidewalks, alleys and passages; strips and gores; sewer rights; water, water rights, water courses, riparian rights and drainage rights; air rights and development rights; oil and mineral rights; and tenements, hereditaments and appurtenances, in each instance adjoining or otherwise appurtenant to or benefiting the Land or the Improvements;
- (iv) all materials intended for construction, re-construction, alteration or repair of the Improvements, such materials to be deemed included in the Land and the Improvements immediately on delivery to the Land; all fixtures and personal property that are attached to, contained in or used in connection with the Land or the Improvements (excluding personal property owned by tenants), including: furniture; furnishings; machinery; motors; elevators; fittings; microwave ovens; refrigerators; office systems and equipment; plumbing, heating, ventilating and air conditioning systems and equipment; maintenance and

landscaping equipment; lighting, cooking, laundry, dry cleaning, refrigerating, incinerating and sprinkler systems and equipment; telecommunications systems and equipment; computer or word processing systems and equipment; security systems and equipment; and equipment leases for any of the property described in this subsection (the "Fixtures and Personal Property");

(v) all agreements, ground leases, grants of easements or rights-of-way, permits, declarations of covenants, conditions and restrictions, disposition and development agreements, planned unit development agreements, cooperative, condominium or similar ownership or conversion plans, management, leasing, brokerage or parking agreements or other material documents affecting Borrower or the Land, the Improvements or the Fixtures and Personal Property, including the documents described on Exhibit D but expressly excluding the Leases (the "Property Documents");

(vi) all inventory (including all goods, merchandise, raw materials, incidentals, office supplies and packaging materials) held for sale, lease or resale or furnished or to be furnished under contracts of service, or used or consumed in the ownership, use or operation of the Land, the Improvements or the Fixtures and Personal Property, all documents of title evidencing any part of any of the foregoing and all returned or repossessed goods arising from or relating to any sale or disposition of inventory;

(vii) all intangible personal property relating to the Land, the Improvements or the Fixtures and Personal Property, including choses in action and causes of action (except those personal to Borrower), corporate and other business records, inventions, designs, promotional materials, blueprints, plans, specifications, patents, patent applications, trademarks, trade names, trade secrets, goodwill, copyrights, registrations, licenses, franchises, claims for refunds or rebates of taxes, insurance surpluses, refunds or rebates of taxes and any letter of credit, guarantee, claim, security interest or other security held by or granted to Borrower to secure payment by an account debtor of any of the accounts of Borrower arising out of the ownership, use or operation of the Land, the Improvements or the Fixtures and Personal Property, and documents covering all of the foregoing; all accounts, accounts receivable, documents, instruments, money, deposit accounts, funds deposited in accounts established with a bank, savings and loan association, trust company or other financial institution in connection with the ownership, use or operation of the Land, the Improvements or the Fixtures and Personal Property, including any reserve accounts or escrow accounts, and all investments of the funds and all other general intangibles;

(viii) all awards and other compensation paid after the date of this Deed of Trust for any Condemnation (the "Condemnation Awards");

(ix) all proceeds of and all unearned premiums on the Policies (the

"Insurance Proceeds");

(x) all licenses, certificates of occupancy, contracts, management agreements, operating agreements, operating covenants, franchise agreements, permits and variances relating to the Land, the Improvements or the Fixtures and Personal Property;

(xi) all books, records and other information, wherever located, which are in Borrower's possession, custody or control or to which Borrower is entitled at law or in equity and which are related to the Property, including all computer files related to such information;

(xii) all deposits held from time to time by the Accumulations Depository to provide reserves for Taxes and Assessments together with interest thereon, if any (the "Accumulations") and the account or accounts in which such deposits are or may be held; and

(xiii) all after-acquired title to or remainder or reversion in any of the property described in this Section; all additions, accessions and extensions to, improvements of and substitutions or replacements for any of such property; all products and all cash and non-cash proceeds, immediate or remote, of any sale or other disposition of any of such property, excluding sales or other dispositions of inventory in the ordinary course of the business of operating the Land or the Improvements; and all additional lands, estates, interests, rights or other property acquired by Borrower after the date of this Deed of Trust for use in connection with the Land and Improvements, all without the need for any additional mortgage, assignment, pledge or conveyance to Lender but Borrower will execute and deliver to Lender, upon Lender's request, any documents reasonably requested by Lender to further evidence the foregoing.

Section 2.2. Security Agreement.

(a) The Property includes both real and personal property and this Deed of Trust is a real property mortgage and also a "security agreement" and a "financing statement" within the meaning of the Uniform Commercial Code. By executing and delivering this Deed of Trust, Borrower grants to Trustee, as security for the Obligations, a security interest in the Property to the full extent that any of the Property may be subject to the Uniform Commercial Code.

(b) Borrower desires and intends that this Deed of Trust also constitute a Fixture Filing between Borrower as debtor and Lender as secured party, as defined in Section 9313 (a)(b) of the California Commercial Code. To this end, Borrower acknowledges that (i) this Deed of Trust covers goods which are or are to become