

on adjoining properties encroach upon the Premises or Improvements, and no easements or other encumbrances, except those which are insured against by title insurance, encroach upon any of the Improvements so as to affect the FMV (defined below) or marketability of the Trust Property and (ii) the Premises and Improvements are assessed for real estate tax purposes as one or more wholly independent tax lot or lots, separate from any adjoining land or improvements not constituting a part of such lot or lots, and no other land or improvements are assessed and taxed together with the Premises and Improvements or any portion thereof. Trustor agrees that if the Premises and Improvements are not taxed and assessed as one or more tax parcels exclusive of all other real property, the term "Taxes" will include all taxes, assessments, water rates and sewer rents now or hereafter levied, assessed or imposed against all other property, whether or not owned by Trustor, that is taxed and assessed as part of any tax parcel that includes all or any portion of the Premises or Improvements.

(g) Trustor represents and warrants to Beneficiary that to its actual best knowledge and belief, except as expressly disclosed in writing in the Leases, the rent roll for the Improvements delivered to Beneficiary prior to the date hereof or any of the tenant estoppel certificates delivered to Beneficiary prior to the date hereof, (i) Trustor is the sole owner of the entire lessor's interest in the Leases, (ii) the Leases are valid and enforceable and in full force and effect, (iii) all of the Leases are arm's-length agreements with bona fide, independent third parties, (iv) no party under any Lease is in default in any material respect, (v) all Rents due as of the date hereof have been paid in full, (vi) the terms of all alterations, modifications and amendments to the Leases are reflected in the written documents delivered to Beneficiary prior to the date hereof, (vii) none of the Rents reserved in the Leases have been assigned or otherwise pledged or hypothecated (except such pledge or hypothecation that will be fully terminated and released in connection with the filing and recordation of this Deed of Trust), (viii) none of the Rents have been collected for more than one (1) month in advance (except a security deposit that shall not be deemed rent collected in advance), (ix) the premises demised under the Leases have been completed and the tenants under the Leases have accepted the same and have taken possession of the same on a rent-paying basis, (x) there exist no offsets or defenses to the payment of any portion of the Rents and Trustor has no monetary obligation to any tenant under any Lease, (xi) Trustor has received no notice from any tenant challenging the validity or enforceability of any Lease, (xii) there are no agreements with the tenants under the Leases other than expressly set forth in each Lease, (xiii) no Lease contains an option to purchase, right of first refusal to purchase, or any other similar provision respecting the Premises or Improvements, (xiv) no person has any possessory interest in, or right to occupy, the Premises or Improvements except under and pursuant to a Lease, (xv) all security deposits relating to the Leases reflected on the rent roll delivered by Trustor to Beneficiary have been collected in cash by Trustor, and (xvi) no brokerage commissions or finders fees are due and payable regarding any Lease.

(h) Trustor represents and warrants to Beneficiary that except as disclosed in writing to Beneficiary prior to the date hereof (i) there is no action, suit or proceeding,