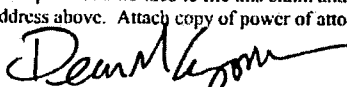


UNITED STATES BANKRUPTCY COURT Northern District of Texas		PROOF OF CLAIM
Name of Debtor: O.W. Commercial, Inc.		Case Number: 09-34363-hdh11
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Bank of America, N.A.		☐ Check this box to indicate that this claim amends a previously filed claim.
Name and address where notices should be sent: Thompson & Knight LLP c/o John S. Brannon 1722 Routh St., Suite 1500 Dallas, Texas 75201 Telephone number: (214) 969-1700		Court Claim Number: _____ (If known)
Name and address where payment should be sent (if different from above): Bank of America, N.A. c/o Casey Carpenter Vice-President, Real Estate Special Assets 333 S. Hope St., 11th Floor Los Angeles, California 90071-1406		Filed on: _____
Telephone number: (213) 621-3604		☐ Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.
RECEIVED NOV 09 2009 BMC GROUP		☐ Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$ 19,927,617.56		5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.		Specify the priority of the claim.
If all or part of your claim is entitled to priority, complete item 5.		☐ Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).
☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		☐ Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4).
2. Basis for Claim: *See Addendum (See instruction #2 on reverse side.)		☐ Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).
3. Last four digits of any number by which creditor identifies debtor: _____		☐ Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7).
3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		☐ Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.		☐ Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(____).
Nature of property or right of setoff: ☐ Real Estate ☐ Motor Vehicle ☐ Other		Amount entitled to priority: \$ _____
Describe:		*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.
Value of Property: \$ _____ Annual Interest Rate _____ %		
Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____		
Amount of Secured Claim: \$ *See Addendum Amount Unsecured: \$ *See Addendum		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side.)		
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.		
If the documents are not available, please explain:		
Date: 11/09/2009	Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.  DEAN M. LYONS AUTHORIZED AGENT	FOR COURT USE ONLY OPUS WEST  00514

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

Fremont - OW Comm

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	Chapter 11
	§	
O.W. COMMERCIAL, INC.,	§	Case No. 09-34363-hdh11
	§	
DEBTOR.	§	

**EXHIBIT A – ADDENDUM TO PROOF OF CLAIM (FREMONT TECH CENTER) OF
BANK OF AMERICA, N.A.¹**

1. This proof of claim is made by Bank of America, N.A. (“Bank of America”).
2. Pursuant to that certain Construction Loan Agreement dated as of May 29, 2007, by and between O.W. Commercial, Inc. (“OW Commercial”), as Borrower, and Bank of America (as amended, the “Loan Agreement”) and for valuable consideration, Bank of America agreed to make a loan to the Borrower in the maximum principal amount of Thirty-One Million One Hundred Sixty-Five Thousand and No/100 Dollars (\$31,165,000.00) (the “Loan”). The purpose of the Loan was to provide financing for the development and construction of improvements on certain the Property (as defined herein).
3. All amounts claimed herein are secured by perfected mortgages, security interests, and liens in and to the Property (as defined herein) as described and granted in the Loan Agreement and the following additional documents (the following described documents, together with any and all other or additional agreements, instruments, or other documents evidencing, securing, or otherwise relating to the Loans are hereinafter referred to collectively as the “Loan Documents”):
 - a. That certain Promissory Note dated as of May 29, 2007, in the original principal amount of \$31,165,000.00 (as amended, the “Note”).
 - b. On March 21, 2008, Bank of America, OW Commercial and certain other parties entered into a letter agreement that amended certain provisions of the Loan Agreement (the “Modification Agreement”).
 - c. A Construction Deed of Trust, Assignment, Security Agreement and Fixture Filing dated as of May 29, 2007, executed by OW Commercial, as Grantor, to Bank of America, as Trustee, for the benefit of Bank of America, as Beneficiary, and recorded in the Official Records of Alameda County, California (the “Official Records”) on June 15, 2007, as Document No. 2007-224923 (as amended, the “Deed of Trust”). The Deed of Trust encumbers, among other things, certain real property located in Alameda County, California, as more particularly described therein (the “Property”). The Deed of Trust, inclusive of all assignment and security provisions contained therein, gives Bank of America a security interest in the

¹ This claim is being simultaneously filed in the bankruptcies of Opus West Corporation (Case No. 09-34356) and OW Commercial (Case No. 09-34363-hdh11), under the Loan Documents (as defined herein).

Property, improvements, land, proceeds, leases, rents and all other interests (as more fully described therein) derived from and related to the Property (collectively, the "Collateral").

d. A form UCC-1 financing statement was filed in the Delaware Department of State on June 15, 2007, as Filing No. 2007 2445 103 naming OW Commercial as debtor and Bank of America as secured party (the "Financing Statement"). The Financing Statement further perfected Bank of America's security interests in the Collateral.

4. Opus West Corporation, a Minnesota corporation, executed a Guaranty Agreement on May 29, 2007, wherein Opus West Corporation irrevocably and unconditionally guaranteed the obligations of OW Commercial to Bank of America under the Loan.

5. Prior to the July 6, 2009 petition date (the "Petition Date"), OW Commercial defaulted under the terms of the Loan Documents. As a result of the events of default, Bank of America sent OW Commercial default letters on April 9 and June 3, 2009 (collectively, the "Default Letters"), notifying it of the various events of default that had occurred and demanding that it pay all past-due amounts in accordance with the terms of the Loan Documents. OW Commercial failed to cure the defaults under the Loan, and as a result, Bank of America exercised its rights under the Loan Documents to accelerate the Loan and declare all outstanding amounts immediately due and payable.

6. On May 5, 2009, Bank of America sent OW Commercial an acceleration letter (the "Acceleration Notice"), notifying it of Bank of America's election to accelerate the Loan and demanding immediate repayment of all amounts owing under the Loan Documents. On July 1, 2009, Bank of America caused First American Title Insurance Company, as the duly-appointed trustee under the Deed of Trust, to record a Notice of Default and Election to Sell Under Deed of Trust in the Official Records as Instrument No. 2009-209071 (the "Notice of Default").

7. Just prior to the Petition Date, OW Commercial transferred its interest in and to the Property to OWP Fremont Tech, L.L.C., a Delaware limited liability company ("Fremont Tech SPE").

8. As of the Petition Date, the following liquidated, uncontested, and non-contingent amount was and is due and owing to Bank of America under the Loan Documents in an amount not less than **\$19,927,617.56** (the "Liquidated Claim Amount"), which consists of:

Principal	\$19,648,735.78
Interest	\$267,934.30
Prepetition Costs and Fees	
Attorney's Fees	\$3,572.48
Appraisal costs	<u>\$7,375.00</u>
	\$10,947.48
TOTAL:	\$19,927,617.56

9. Additionally, the following are due to Bank of America under the Loan Documents:

- a. Post-Petition Interest. The amount of interest accruing on the outstanding principal amount of the Loan from the Petition Date to the date of payment of the Loan, at the rates and in the manner set forth in the applicable Loan Documents;
- b. Other Post-Petition Interest. The amount of interest accruing from the Petition Date on past-due installments of interest on the Loan to the date of payment of such installments, which accrues at the rates and in the manner set forth in the applicable Loan Documents; and
- c. Other Post-Petition Indebtedness, Charges, Costs. All other interest, charges, penalties, premiums, advances, and other sums which may be due or become due as more fully detailed in or made reference to in any or all of the Loan Documents, including, without limitation, reasonable compensation, expenses, disbursements and advances (including, without limitation, reasonable fees and disbursement of counsel and other professionals) of Bank of America.

10. As the amount of the claims asserted in paragraph 9 hereof cannot, at this time, be reasonably calculated or estimated, the total amount of all claims set forth in this proof of claim currently (the "Final Claim Amount") is unliquidated, but is in no event less than the Liquidated Claim Amount of **\$19,927,617.56**. To the extent any personal property Collateral was not transferred to Fremont Tech SPE, Bank of America asserts a secured claim for the Final Claim Amount up to the value of the retained personal property Collateral. To the extent the real and/or personal property Collateral was transferred to Fremont Tech SPE, Bank of America asserts an unsecured claim for the Final Claim Amount. The Final Claim Amount of Bank of America may be in a greater amount than stated herein. Bank of America does not waive any of its rights to recover all of the foregoing amounts by not asserting a specific dollar amount at this time.²

11. Bank of America reserves the right to amend and/or supplement this proof of claim and to assert any and all other claims of whatever kind or nature that it has, or it may have, against OW Commercial and/or Opus West Corporation that may come to the attention of Bank of America or arise after the filing of this proof of claim. The filing of this proof of claim shall not be deemed a waiver of any such claims or amounts.

12. All notices concerning this proof of claim should be sent to:

THOMPSON & KNIGHT LLP
c/o John S. Brannon
1722 Routh Street, Suite 1500
Dallas, Texas 75201

² Bank of America reserves the right to assert a secured claim to the extent that any prepetition transfer of Collateral is set aside for any reason.

BANK OF AMERICA, N.A.
c/o Casey Carpenter
Vice President
Real Estate Special Assets
333 S. Hope St., 11th Floor
Los Angeles, CA 90071-1406

Date: November 9, 2009

Respectfully submitted,

/s/ Katharine B. Richter

David M. Bennett

State Bar No. 2139600

John S. Brannon

State Bar No. 02895500

THOMPSON & KNIGHT LLP

1722 Routh Street, Suite 1500

Dallas, Texas 75201

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Katharine Battaia Richter

Texas Bar No. 24046712

THOMPSON & KNIGHT LLP

98 San Jacinto Boulevard, Suite 1900

Austin, Texas 78701

Telephone: 512/469-6100

Facsimile: 512/482-5076

E-mail: katie.richter@tklaw.com

ATTORNEYS FOR BANK OF AMERICA, N.A.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	Chapter 11
	§	
O.W. COMMERCIAL, INC.,	§	Case No. 09-34363-hdh11
	§	
DEBTOR.	§	

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EXHIBIT A – ADDENDUM TO PROOF OF CLAIM (FREMONT TECH CENTER) OF
BANK OF AMERICA, N.A.**

- ATTACHMENT 1:** Construction Loan Agreement dated May 29, 2007 by and between O.W. Commercial, Inc. and Bank of America in the maximum principal amount of \$31,165,000.00.
- ATTACHMENT 2:** Promissory Note dated May 29, 2007, in the original principal amount of \$31,165,000.00.
- ATTACHMENT 3:** Letter Agreement dated March 21, 2008 by and among Bank of America, OW Commercial and certain other parties (“Modification Agreement”).
- ATTACHMENT 4:** Construction Deed of Trust, Assignment, Security Agreement and Fixture Filing dated May 29, 2007 recorded in the Official Records of Alameda County, California on June 15, 2007, as Document No. 2007224923.
- ATTACHMENT 5:** UCC-1 Financing Statement filed in the Delaware Department of State on June 15, 2007, as Filing No. 2007-2445103.
- ATTACHMENT 6:** Guaranty Agreement dated May 29, 2007.
- ATTACHMENT 7:** Default Letters dated April 9 and June 3, 2009.
- ATTACHMENT 8:** Acceleration Notice dated May 5, 2009 and Notice of Default and Election to Sell Under Deed of Trust dated July 1, 2009 filed in the Official Records as Instrument No. 2009209071.

ATTACHMENT 1



CONSTRUCTION LOAN AGREEMENT

by and between

O.W. COMMERCIAL, INC.,
a Delaware corporation

as Borrower,

and

BANK OF AMERICA, N.A.,
a national banking association,

as Lender,

with respect to

FREMONT TECH CENTER, CA

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Schedules to Construction Loan Agreement

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Schedule 5	Additional Terms Regarding Advances
Schedule 6	[Intentionally Left Blank]
Schedule 7	Release Provisions

CONSTRUCTION LOAN AGREEMENT
(Fremont Tech Center, CA)

This Construction Loan Agreement (this "Agreement") is made as of the 29th day of May, 2007, by and between O.W. COMMERCIAL, INC., a Delaware corporation ("Borrower"), and BANK OF AMERICA, N.A., a national banking association ("Lender").

RECITALS

Borrower has applied to Lender for a loan to finance the acquisition and certain costs related to the construction and development of improvements on certain real property in which Borrower has acquired an interest. Lender has agreed to make the loan on the terms and conditions set forth in this Agreement and in the other documents evidencing and securing the loan.

NOW, THEREFORE, in consideration of the premises, and in further consideration of the mutual covenants and agreements herein set forth, the parties covenant and agree as follows:

AGREEMENT

ARTICLE I
GENERAL INFORMATION

Section 1.1 Conditions to Closing. The conditions precedent to closing the Loan and recording the Deed of Trust are set forth in the Closing Checklist.

Section 1.2 Schedules. The Schedules attached to this Agreement are incorporated herein and made a part hereof.

Section 1.3 Defined Terms. Capitalized terms in this Agreement shall have the meanings ascribed to such terms in the Preamble hereto and in Schedule 1.

ARTICLE II
ADVANCES OF THE LOAN

Section 2.1 The Loan. Borrower agrees to borrow the Loan from Lender, and Lender agrees to lend the Loan to Borrower, subject to the terms and conditions herein set forth, in incremental advances which will not exceed, in the aggregate, the Loan Amount. Interest shall accrue and be payable in arrears only on sums advanced hereunder for the period of time outstanding. The Loan is not a revolving loan; amounts repaid may not be re-borrowed.

Section 2.2 Purpose; Reallocation; Revenues from Property. The Loan shall be advanced by Lender in accordance with the terms of this Agreement to pay those expenses related to the Loan and the Property that are described in the Budget, but not, in the aggregate with respect to any line item set forth in the Budget, in excess of the amount of the Loan to be disbursed for such line item, as set forth in the Budget. Borrower will receive each advance in trust for the purpose of paying only those costs for which the advance is made and will utilize the

funds advanced for no other purpose. With the prior approval of Lender, any cost savings, actual or estimated, affecting any approved line item within the Budget, other than the interest reserve, may be reallocated by Borrower to any other line item within the Budget. Upon completion of the Improvements and the payment of all costs in connection therewith, any undisbursed proceeds of the Loan shall be allocated to the interest reserve or to such other line item as Lender shall approve. Each disbursement from a contingency reserve shall be subject to approval by Lender as to the amount and purpose for which such disbursement will be used. If and when revenues are derived from the Property in amounts sufficient to pay all or any portion of the operating expenses of the Property or all or any portion of the interest on the Loan, revenues will be used to pay such expenses and/or interest, and Lender, at its sole option, may restrict or prohibit future disbursements of the Loan for such purposes to the extent that revenues are sufficient to pay such amounts.

Section 2.3 Draw Requests. Advances shall be made not more frequently than monthly based on draw requests signed by an Authorized Signer in the form attached hereto as Schedule 2 or in another form approved by Lender. Each draw request for hard costs shall be set forth on AIA Forms G702 and G703 or another form approved by Lender, and shall be reviewed by the Construction Consultant, and, if requested by Lender, approved by the Architect. Draw requests for hard costs shall show the percentage of completion of construction and shall set forth in trade breakdown form and in such detail as may be required by Lender the amounts expended and/or costs incurred for work done and materials incorporated in the Improvements. Retainage will be withheld and released in accordance with the terms of Schedule 5. Each draw request for soft costs shall be supported by such information and documentation (such as paid receipts, invoices, statements of accounts, lien releases, etc.) as Lender may request to assure that amounts requested are to be used to reimburse Borrower for costs previously paid by Borrower or to pay costs incurred by Borrower that are to be paid from proceeds of the Loan, as set forth in the Budget.

Section 2.4 Additional Terms Regarding Advances. Advances of the Loan shall also be subject to the terms and conditions set forth in Schedule 5.

Section 2.5 Liability of Lender. Lender shall in no event be responsible or liable to any Person other than Borrower for the disbursement of or failure to disburse the Loan proceeds or any part thereof and neither the Contractor, Construction Consultant nor any subcontractor, laborer or material supplier shall have any right or claim against Lender under this Agreement or the other Loan Documents. For purposes of the provisions of A.R.S. Sections 32-1129, 32-1129.01, 32-1129.02, 32-1129.03, 32-1129.04, and 32-1129.05 (collectively, the "Prompt Payment Statute"), Borrower acknowledges that Borrower shall constitute the "owner" and under no circumstances shall Lender be an "owner" for purposes thereof. Borrower further agrees that Lender shall not be an "owner's agent" or a "third party designated by owner as the person responsible for making progress payments on a construction contract" (a "Designated Payor") as such terms are used in the Prompt Payment Statute. Borrower shall not cause or permit any statements or representations to be made or agreements to be entered into pursuant to which Lender would or might be asserted to be a Designated Payor. Lender shall have no responsibility for compliance with the Prompt Payment Statute. Borrower's obligation to comply with the Prompt Payment Statute shall not in any way expand the obligations of Lender hereunder and

Lender shall at all times retain the right to approve or disapprove advances in accordance with this Agreement regardless of Borrower's obligations to any contractor.

ARTICLE III REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants to Lender that:

Section 3.1 Organization, Power and Authority of Borrower; Loan Documents. Borrower (a) is a Delaware corporation duly organized, existing and in good standing under the laws of the state in which it is organized and is duly qualified to do business and in good standing in the state in which the Land is located (if different from the state of its formation), and (b) has the power, authority and legal right to own its property and carry on the business now being conducted by it and to engage in the transactions contemplated by the Loan Documents. The Loan Documents to which Borrower is a party have been duly executed and delivered by Borrower, and the execution and delivery of, and the carrying out of the transactions contemplated by, such Loan Documents, and the performance and observance of the terms and conditions thereof, have been duly authorized by all necessary organizational action by and on behalf of Borrower. The Loan Documents to which Borrower is a party constitute the valid and legally binding obligations of Borrower and are fully enforceable against Borrower in accordance with their respective terms, except to the extent that such enforceability may be limited by laws generally affecting the enforcement of creditors' rights.

Section 3.2 Other Documents; Laws. The execution and performance of the Loan Documents to which Borrower is a party and the consummation of the transactions contemplated thereby will not conflict with, result in any breach of, or constitute a default under, the organizational documents of Borrower, or any contract, agreement, document or other instrument to which Borrower is a party or by which Borrower or any of its properties may be bound or affected, and such actions do not and will not violate or contravene any Law to which Borrower is subject.

Section 3.3 Taxes. Borrower has filed all federal, state, county and municipal Tax returns required to have been filed by Borrower and has paid all Taxes which have become due and payable pursuant to such returns or pursuant to any Tax assessments received by Borrower.

Section 3.4 Legal Actions. There are no Claims or investigations by or before any court or Governmental Authority, pending, or to the best of Borrower's knowledge and belief, threatened against or affecting Borrower or the Property in each instance in excess of \$100,000.00 and that would materially impair Borrower's ability to perform its obligations hereunder. Borrower is not in default with respect to any order, writ, injunction, decree or demand of any court or any Governmental Authority affecting Borrower or the Property.

Section 3.5 Nature of Loan. Borrower is a business or commercial organization. The Loan is being obtained solely for business or investment purposes, and will not be used for personal, family, household or agricultural purposes. No portion of the Property constitutes a "dwelling" for purposes of California law.

Section 3.6 Trade Names. Borrower conducts its business solely under the name set forth in the Preamble to this Agreement and makes use of no trade names in connection therewith, unless such trade names have been previously disclosed to Lender in writing.

Section 3.7 Financial Statements. The financial statements heretofore delivered by Borrower to Lender are true and correct in all material respects, have been prepared in accordance with sound accounting principles consistently applied, and fairly present the respective financial conditions of the subjects thereof as of the respective dates thereof.

Section 3.8 ERISA and Prohibited Transactions. As of the date hereof and throughout the term of the Loan: (a) Borrower is not and will not be (i) an "employee benefit plan," as defined in Section 3(3) of ERISA, (ii) a "governmental plan" within the meaning of Section 3(32) of ERISA, or (iii) a "plan" within the meaning of Section 4975(e) of the Code; (b) the assets of Borrower do not and will not constitute "plan assets" within the meaning of the United States Department of Labor Regulations set forth in Section 2510.3-101 of Title 29 of the Code of Federal Regulations; (c) transactions by or with Borrower are not and will not be subject to state statutes applicable to Borrower regulating investments of fiduciaries with respect to governmental plans; and (d) Borrower will not engage in any transaction that would cause any Obligation or any action taken or to be taken hereunder (or the exercise by Lender of any of its rights under the Deed of Trust or any of the other Loan Documents) to be a non-exempt (under a statutory or administrative class exemption) prohibited transaction under ERISA or Section 4975 of the Code. Borrower agrees to deliver to Lender such certifications or other evidence of compliance with the provisions of this Section as Lender may from time to time request.

Section 3.9 Compliance with Zoning and Other Requirements. The anticipated use of the Property complies with applicable zoning ordinances, regulations and restrictive covenants affecting the Land. All use and other requirements of any Governmental Authority having jurisdiction over the Property have been satisfied. To the best of Borrower's knowledge, no violation of any Law exists with respect to the Property.

Section 3.10 Plans and Specifications. The Plans and Specifications are, or will be, complete and adequate for the Construction of the Improvements. The Plans and Specifications have been or will be approved by all Governmental Authorities having or claiming jurisdiction over the Property and by the beneficiary of each restrictive covenant affecting the Property whose approval is required prior to the commencement of any applicable stage of construction. The Plans and Specifications have also been approved by any tenant and by any prospective purchaser of the Property or provider of permanent financing for the Property whose approval is required prior to the commencement of construction. To the best of Borrower's knowledge, the Improvements, if constructed substantially in accordance with the Plans and Specifications, will fully comply with all applicable Laws, including those Laws relating to access and facilities for disabled persons.

Section 3.11 Building Permits; Other Permits. All building, construction and other permits necessary or required in connection with the Construction of the Improvements have been validly issued or will be issued in a timely manner by a date sufficient to ensure Completion of Construction in accordance with the Project Schedule. All required fees have been paid and bonds and/or other security have been posted in connection with all permits that

have been issued, and adequate amounts are included in the Budget to pay all fees and the cost of all bonds and other security in connection with permits to be issued in the future. Following the issuance thereof, all permits will remain in full force and effect.

Section 3.12 Utilities. All utility services necessary for the Construction of the Improvements and the operation thereof for their intended purposes are available at the boundaries of the Land (or will be available upon the completion of work shown in the Plans and Specifications), including telephone service, cable television, water supply, storm and sanitary sewer facilities, natural gas and electric facilities, including cabling for telephonic and data communication, and the capacity to send and receive wireless communication.

Section 3.13 Access; Roads. All roads and other accesses necessary for the Construction of the Improvements and full utilization thereof for their intended purposes have either been completed or the necessary rights of way therefor have either been acquired by the appropriate Governmental Authority, or have been dedicated to public use and accepted by such Governmental Authority and all necessary steps have been taken by Borrower or such Governmental Authority to assure the complete construction and installation thereof by a date sufficient to ensure the Completion of Construction of the Improvements in accordance with the Project Schedule.

Section 3.14 Other Liens. Except for contracts for labor, materials and services furnished or to be furnished in connection with the Construction of the Improvements, Borrower has made no contract or arrangement of any kind the performance of which by the other party thereto would give rise to a lien on the Property.

Section 3.15 No Material Adverse Change. No material adverse change has occurred in the financial conditions reflected in the financial statements of Borrower since the respective dates of such statements, and no material additional liabilities have been incurred by Borrower since the dates of such statements other than the borrowings contemplated herein or as approved in writing by Lender.

Section 3.16 Defaults. There is no Default or Event of Default that is continuing under any of the Loan Documents, and there is no default or event of default under any material contract, agreement or other document related to the construction or operation of the Improvements.

Section 3.17 Affirmation of Representations and Warranties. Each draw request and each receipt of the funds requested thereby shall constitute an affirmation that (a) the foregoing representations and warranties of Borrower are true and correct as of the date of the draw request and, unless Lender is notified to the contrary prior to the disbursement of the advance requested, will be so on the date of the disbursement, (b) the work completed to the date of the draw request is of quality and in all other respects consistent with the Plans and Specifications, and (c) if applicable, construction of the Improvements is proceeding in accordance with the Project Schedule.

ARTICLE IV AFFIRMATIVE COVENANTS AND AGREEMENTS

Section 4.1 Commencement and Completion of Construction. Borrower shall cause the Construction of the Improvements to be commenced and prosecuted in a good and workmanlike manner and shall cause the same to be completed in accordance with the Project Schedule and substantially in accordance with the Plans and Specifications.

Section 4.2 Approval of Construction. No work associated with the Construction of the Improvements shall be commenced by Borrower unless and until the Plans and Specifications have been approved by Lender, by all Governmental Authorities having or claiming jurisdiction over the Land and Improvements, by the beneficiary of any applicable restrictive covenant whose approval is required prior to the commencement of construction, and by any other party whose approval is required under applicable agreements, and unless and until all building, construction and other permits necessary or required in connection with the applicable stage of Construction of the Improvements have been validly issued and all fees, bonds and any other security required in connection therewith have been paid or posted.

Section 4.3 Deposits to Balance Loan. If at any time Lender shall determine that (a) the proceeds of the Loan remaining to be advanced for any line item within the Budget, together with any anticipated Deferred Equity that Lender determines to its satisfaction is or will be available for such item, are not or will not be sufficient to pay, in a timely manner, the amount of such line item remaining to be paid, and (b) the deficiency cannot be remedied by a reallocation of budgeted amounts pursuant to Section 2.2 hereof, then Borrower shall deposit with Lender, within fifteen (15) days from the effective date of a Notice from Lender requesting such deposit, funds in an amount equal to the deficiency. Such funds shall be held by Lender in a Borrower's Deposit Account, which shall be an interest-bearing account, with all accrued interest to become part of Borrower's deposit. Borrower agrees that it shall include all interest and earnings on any such deposit as its income (and, if Borrower is a partnership or other pass-through entity, the income of its partners, members or beneficiaries, as the case may be), and shall be the owner of all funds on deposit in the Borrower's Deposit Account for federal and applicable state and local tax purposes. Lender shall have the exclusive right to manage and control all funds in the Borrower's Deposit Account, but Lender shall have no fiduciary duty with respect to such funds. Advances of the deposited funds will be made from time to time for the payment of deficient line item amounts, prior to the advance of proceeds of the Loan for such amounts. Advances of the deposited funds will be subject to the terms of this Agreement regarding advances of the Loan. Any account fees and charges may be deducted from the balance, if any, in the Borrower's Deposit Account. Borrower grants to Lender a security interest in the Borrower's Deposit Account and all such deposited funds hereafter deposited to such deposit account, and any proceeds thereof, as security for the Obligations. Such security interest shall be governed by the Uniform Commercial Code of the State, and Lender shall have available to it all of the rights and remedies available to a secured party thereunder. The Borrower's Deposit Account may be established and held in such name or names as Lender shall deem appropriate, including in the name of Lender. Borrower hereby constitutes and appoints Lender and any officer or agent of Lender its true and lawful attorneys-in-fact with full power of substitution to open the Borrower's Deposit Account and to do any and every act that Borrower might do on its own behalf to fulfill the terms of this Section 4.3. To the extent permitted by Law, Borrower hereby ratifies all that

said attorneys shall lawfully do or cause to be done by virtue hereof. It is understood and agreed that this power of attorney, which shall be deemed to be a power coupled with an interest, cannot be revoked and for purposes of A.R.S. § 14-5501.E Borrower acknowledges that this power of attorney forms a part of the contract which is this Agreement and is security for money or for the performance of a valuable act. Any authority under the foregoing power of attorney may be exercised for Lender's benefit, need not be exercised for Borrower's best interest, and is hereby separately initialed by Borrower pursuant to A.R.S. § 14-5506.B. [Borrower Initials: CV
Witness Initials:]

Section 4.4 Compliance with Laws; Encroachments. The Improvements shall be constructed in accordance with all applicable (whether present or future) Laws. The Improvements shall be constructed entirely on the Land and shall not encroach upon any easement or right-of-way, or upon the land of others. Construction of the Improvements shall occur wholly within all applicable building restriction lines and set-backs, however established, and shall be in strict compliance with all applicable use or other restrictions and the provisions of any prior agreements, declarations, covenants and all applicable zoning and subdivision ordinances and regulations.

Section 4.5 Inspections; Cooperation. Borrower shall permit representatives of Lender and the Construction Consultant to enter upon the Land, to inspect the Improvements and any and all materials to be used in connection with the development of the Land and the construction of the Improvements, to examine all detailed plans and shop drawings and similar materials as well as all records and books of account maintained by or on behalf of Borrower relating thereto and to discuss the affairs, finances and accounts pertaining to the Loan and the Improvements with representatives of Borrower. Borrower shall at all times cooperate and cause each and every subcontractor and material supplier to cooperate with the representatives of Lender and the Construction Consultant in connection with or in aid of the performance of Lender's functions under this Agreement. Except in the event of an emergency, Lender shall give Borrower at least twenty-four hours' notice by telephone in each instance before entering upon the Land and/or exercising any other rights granted in this Section.

Section 4.6 Contracts, Vouchers and Receipts. Borrower shall furnish to Lender, or Borrower shall cause the general contractor to furnish to Lender, promptly on demand, any contracts, subcontracts, bills of sale, statements, receipted vouchers or other agreements relating to the development of the Land or the construction of the Improvements in excess of \$100,000.00, including any such items pursuant to which Borrower has any claim of title to any materials, fixtures or other articles delivered or to be delivered to the Land or incorporated or to be incorporated into the Improvements. Borrower shall furnish to Lender, if requested by Lender, a verified written statement, in such form and detail as Lender may require, setting forth the names and addresses of all contractors, subcontractors and suppliers furnishing labor or materials in the development of the Land or the construction of the Improvements and showing all amounts paid for labor and materials and all items of labor and materials furnished or to be furnished for which payment has not been made and the amounts to be paid therefor.

Section 4.7 Payment and Performance of Contractual Obligations. Borrower shall perform in a timely manner all of its obligations under the Architect's Contract and any and all other contracts and agreements related to the construction or operation of the Improvements, and

Borrower and its general contractor will pay when due all bills for services or labor performed and materials supplied in connection with the development of the Land and the construction of the Improvements. Within thirty (30) days after the filing of any mechanic's lien or other lien or encumbrance against the Property, Borrower or the general contractor will promptly discharge the same by payment or filing a bond or otherwise as permitted by Law. So long as Lender's security has been protected by the filing of a bond or otherwise in a manner satisfactory to Lender in its sole and absolute discretion, Borrower shall have the right to contest in good faith any claim, lien or encumbrance, provided that Borrower does so diligently and without prejudice to Lender or delay in completing construction of the Improvements.

Section 4.8 Correction of Construction Defects. Promptly following any demand by Lender, Borrower shall correct or cause the correction of any structural defects in the Improvements, any work that fails to comply with the requirements of Section 4.4 and any material departures or deviations from the Plans and Specifications not approved in writing by Lender.

Section 4.9 Insurance. Borrower shall maintain the following insurance at its sole cost and expense:

(a) Insurance against Casualty to the Property under a policy or policies covering such risks as are presently included in "special form" (also known as "all risk") coverage, including such risks as are ordinarily insured against by similar businesses, but in any event including fire, lightning, windstorm, hail, explosion, riot, riot attending a strike, civil commotion, damage from aircraft, smoke, vandalism, malicious mischief and acts of terrorism. Such insurance shall name Lender as mortgagee and loss payee. Unless otherwise agreed in writing by Lender, such insurance shall be for the full insurable value of the Property, with a deductible amount, if any, satisfactory to Lender. No policy of insurance shall be written such that the proceeds thereof will produce less than the minimum coverage required by this Section by reason of co-insurance provisions or otherwise. The term "full insurable value" means one hundred percent (100%) of the actual replacement cost of the Property (excluding foundation and excavation costs and costs of underground flues, pipes, drains and other uninsurable items).

(b) Comprehensive (also known as commercial) general liability insurance on an "occurrence" basis against claims for "personal injury" liability and liability for death, bodily injury and damage to property, products and completed operations, in limits satisfactory to Lender with respect to any one occurrence and the aggregate of all occurrences during any given annual policy period. Such insurance shall name Lender as an additional insured.

(c) Workers' compensation insurance for all employees of Borrower in such amount as is required by Law and including employer's liability insurance, if required by Lender.

(d) During any period of construction upon the Property, Borrower shall maintain, or cause others to maintain, builder's risk insurance (non-reporting form) of the type customarily carried in the case of similar construction for one hundred percent (100%) of the full replacement cost of work in place and materials stored at or upon the Property.

(e) If at any time any portion of any structure on the Property is insurable against Casualty by flood and is located in a Special Flood Hazard Area under the Flood Disaster Protection Act of 1973, as amended, a flood insurance policy in form and amount acceptable to Lender but in no amount less than the amount sufficient to meet the requirements of applicable Law as such requirements may from time to time be in effect.

(f) Such other and further insurance as may be required from time to time by Lender in order to comply with regular requirements and practices of Lender in similar transactions including, if required by Lender, wind insurance and earthquake insurance, so long as any such insurance is generally available at commercially reasonable premiums as determined by Lender from time to time.

In addition to the foregoing, Borrower shall provide and maintain comprehensive (commercial) general liability insurance and workers' compensation insurance for all its employees meeting, respectively, the requirements of Subsections (b) and (c), above.

Each policy of insurance (i) shall be issued by one or more insurance companies each of which must have an A.M. Best Company financial and performance rating of A-IX or better and are qualified or authorized by the Laws of the State to assume the risks covered by such policy, (ii) with respect to the insurance described under the preceding Subsections (a), (d), (e) and (f), shall have attached thereto standard non-contributing, non-reporting mortgagee clauses in favor of and entitling Lender without contribution to collect any and all proceeds payable under such insurance, either as sole payee or as joint payee with Borrower, (iii) shall provide that such policy shall not be canceled or modified without at least thirty (30) days prior written notice to Lender, and (iv) shall provide that any loss otherwise payable thereunder shall be payable notwithstanding any act or negligence of Borrower which might, absent such agreement, result in a forfeiture of all or a part of such insurance payment. Borrower shall promptly pay all premiums when due on such insurance and, not less than *thirty (30) days* prior to the expiration dates of each such policy, Borrower will deliver to Lender acceptable evidence of insurance, such as a renewal policy or policies marked "premium paid" or other evidence satisfactory to Lender reflecting that all required insurance is current and in force. Borrower will immediately give Notice to Lender of any cancellation of, or change in, any insurance policy. Lender shall not, because of accepting, rejecting, approving or obtaining insurance, incur any liability for (A) the existence, nonexistence, form or legal sufficiency thereof, (B) the solvency of any insurer, or (C) the payment of losses. Borrower may satisfy any insurance requirement hereunder by providing one or more "blanket" insurance policies, subject to Lender's approval in each instance as to limits, coverages, forms, deductibles, inception and expiration dates, and cancellation provisions.

Section 4.10 Adjustment of Condemnation and Insurance Claims. Borrower shall give prompt Notice to Lender of any Casualty or any Condemnation or threatened Condemnation. Lender is authorized, at its sole and absolute option, to commence, appear in and prosecute, in its own or Borrower's name, any action or proceeding relating to any Condemnation or Casualty, and to make proof of loss for and to settle or compromise any Claim in connection therewith. In such case, Lender shall have the right to receive all Condemnation Awards and Insurance Proceeds, and may deduct therefrom any payment for all of its Expenses. However, so long as no Event of Default has occurred and Borrower is diligently pursuing its rights and remedies with respect to a Claim, Lender will obtain Borrower's written consent (which consent shall not be unreasonably withheld or delayed) before making proof of loss for or settling or compromising such Claim. Borrower agrees to diligently assert its rights and remedies with respect to each Claim and to promptly pursue the settlement and compromise of each Claim subject to Lender's approval, which approval shall not be unreasonably withheld or delayed. If, prior to the receipt by Lender of any Condemnation Award or Insurance Proceeds, the Property shall have been sold pursuant to the provisions of the Deed of Trust, Lender shall have the right to receive such funds (a) to the extent of any deficiency found to be due upon such sale with interest thereon (whether or not a deficiency judgment on the Deed of Trust shall have been sought or recovered or denied), and (b) to the extent necessary to reimburse Lender for its Expenses. If any Condemnation Awards or Insurance Proceeds are paid to Borrower, Borrower shall receive the same in trust for Lender. Within ten (10) days after Borrower's receipt of any Condemnation Awards or Insurance Proceeds, Borrower shall deliver such awards or proceeds to Lender in the form in which they were received, together with any endorsements or documents that may be necessary to effectively negotiate or transfer the same to Lender. Borrower agrees to execute and deliver from time to time, upon the request of Lender, such further instruments or documents as may be requested by Lender to confirm the grant and assignment to Lender of any Condemnation Awards or Insurance Proceeds.

Section 4.11 Utilization of Net Proceeds.

(a) Net Proceeds must be utilized either for payment of the Obligations or for the restoration of the Property. Net Proceeds may be utilized for the restoration of the Property only if no Default shall exist and only if in the reasonable judgment of Lender (i) there has been no material adverse change in the financial viability of the construction or operation of the Improvements, (ii) the Net Proceeds, together with other funds deposited with Lender for that purpose, are sufficient to pay the cost of the restoration pursuant to a budget and plans and specifications approved by Lender, and (iii) the restoration can be completed prior to the final maturity of the Loan and prior to the date required by any Lease. Otherwise, Net Proceeds shall be utilized for payment of the Obligations.

(b) If Net Proceeds are to be utilized for the restoration of the Property, the Net Proceeds, together with any other funds deposited with Lender for that purpose, must be deposited in an interest-bearing account with Lender, which account will be assigned to Lender as additional security for the Loan. The account will be opened, managed and controlled in a manner consistent with, and subject to, the provisions of Section 4.3 governing a Borrower's Deposit Account, including those provisions permitting Lender to require Borrower to deposit funds in the event of a deficiency in the funds available to complete restoration as herein contemplated. Disbursements of funds from the account will be made in a manner consistent

with, and subject to, the requirements for the closing and funding of the Loan and the terms of this Agreement regarding the disbursement of Loan proceeds.

Section 4.12 Management. Borrower at all times shall provide for the competent and responsible management and operation of the Property. Any management contract or contracts affecting the Property must be approved in writing by Lender prior to the execution of the same, such approval not to be unreasonably withheld. Notwithstanding the foregoing, Opus West Management Corporation, an Arizona corporation shall be deemed approved.

Section 4.13 Books and Records; Financial Statements; Tax Returns.

(a) Borrower will keep and maintain full and accurate books and records administered in accordance with sound accounting principles, consistently applied, showing in detail the earnings and expenses of the Property and the operation thereof. Borrower will keep and maintain its books and records, including recorded data of any kind and regardless of the medium of recording, at the address of Borrower set forth in Section 8.6. Borrower shall permit Lender, or any Person authorized by Lender, to inspect and examine such books and records (regardless of where maintained) and all supporting vouchers and data and to make copies and extracts therefrom at all reasonable times and as often as may be requested by Lender.

(b) Borrower shall provide or cause to be provided to Lender all of the following:

(i) **Financial Statements of Guarantor:** If required by Lender, for each fiscal year of such reporting party, as soon as reasonably practicable and in any event within one hundred twenty (120) days after the close of each fiscal year unqualified certified financial statements of Guarantor, and for each fiscal quarter, as soon as reasonably practicable and in any event within sixty (60) days after the close of each such reporting period company prepared financial statements of Guarantor.

(ii) From time to time promptly after Lender's reasonable request, such additional information, reports and statements respecting the Property and the Improvements, or the business operations and financial condition of each reporting party, as Lender may reasonably request.

(c) Borrower shall provide, upon Lender's request, convenient facilities for the audit and verification of any such statement. All certifications and signatures on behalf of corporations, partnerships, limited liability companies and other entities shall be by a representative of the reporting party satisfactory to Lender. All financial statements for individuals shall be on Lender's then-current personal financial statement form or in another form satisfactory to Lender.

Section 4.14 Estoppel Certificates. Within ten (10) days after any request by Lender or a proposed assignee or purchaser of the Loan or any interest therein, Borrower shall certify in writing to Lender, or to such proposed assignee or purchaser, the then unpaid balance of the

Loan and whether Borrower claims any right of defense or setoff to the payment or performance of any of the Obligations, and if Borrower claims any such right of defense or setoff, Borrower shall give a detailed written description of such claimed right.

Section 4.15 Taxes. Borrower shall pay and discharge all Taxes prior to the date on which penalties are attached thereto unless and to the extent only that such Taxes are contested in accordance with the terms of the Deed of Trust.

Section 4.16 Lender's Rights to Pay and Perform. If, after any required notice, Borrower fails to promptly pay or perform any of the Obligations within any applicable grace or cure periods, Lender, without Notice to or demand upon Borrower, and without waiving or releasing any Obligation or Default, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of Borrower. Lender may enter upon the Property for that purpose and take all action thereon as Lender considers necessary or appropriate. At the option of Lender, following the occurrence of an Event of Default, Lender may apply any undisbursed Loan proceeds to the satisfaction of the conditions of the Loan Documents, irrespective of the allocation of such Loan proceeds in the Budget. Without limiting the generality of the foregoing, Lender may pay directly from the proceeds of the Loan all interest bills rendered by Lender in connection with the Loan, and following the occurrence of an Event of Default may make advances directly to the Borrower, the title insurance company, any subcontractor or material supplier, or to any of them jointly. The execution hereof by Borrower shall, and hereby does, constitute an irrevocable authorization so to advance the proceeds of the Loan. No further direction or authorization from Borrower shall be necessary to warrant such direct advances. Each advance shall be secured by the Deed of Trust and shall satisfy the obligations of Lender hereunder to the extent of the amount of the advance.

Section 4.17 Reimbursement; Interest. If Lender shall incur any Expenses or pay any Claims by reason of the Loan or the rights and remedies provided under the Loan Documents (regardless of whether or not any of the Loan Documents expressly provide for an indemnification by Borrower against such Claims), Lender's payment of such Expenses and Claims shall constitute advances to Borrower which shall be paid by Borrower to Lender on demand, together with interest thereon from the date incurred until paid in full at the rate of interest then applicable to the Loan under the terms of the Note. Each advance shall be secured by the Deed of Trust and the other Loan Documents as fully as if made to Borrower, regardless of the disposition thereof by the party or parties to whom such advance is made. Notwithstanding the foregoing, however, in any action or proceeding to foreclose the Deed of Trust or to recover or collect the Obligations, the provisions of Law governing the recovery of costs, disbursements and allowances shall prevail unaffected by this Section.

Section 4.18 Notification by Borrower. Borrower will promptly give Notice to Lender of the occurrence of any Default or Event of Default hereunder or under any of the other Loan Documents. Borrower will also promptly give Notice to Lender of any claim of a default by Borrower, or any claim by Borrower of a default by any other party, under any Lease.

Section 4.19 Indemnification by Borrower. Borrower agrees to indemnify Lender and to hold Lender harmless for, from and against, and to defend Lender by counsel approved by

Lender against, any and all Claims directly or indirectly arising out of or resulting from any transaction, act, omission, event or circumstance in any way connected with the Property or the Loan, including any Claim arising out of or resulting from (a) any failure by Borrower to comply with the requirements of any Laws or to comply with any agreement that applies or pertains to the Property, including any agreement with a broker or "finder" in connection with the Loan or other financing of the Property; (b) any other Default or Event of Default hereunder or under any of the other Loan Documents; or (c) any assertion or allegation that Lender is liable for any act or omission of Borrower or any other Person in connection with the ownership, development, financing, leasing, operation or sale of the Property; provided, however, that Borrower shall not be obligated to indemnify Lender with respect to any Claim arising solely from the gross negligence or willful misconduct of Lender. The agreements and indemnifications contained in this Section shall apply to Claims arising both before and after the repayment of the Loan and shall survive the repayment of the Loan, any foreclosure or deed, assignment or conveyance in lieu thereof and any other action by Lender to enforce the rights and remedies of Lender hereunder or under the other Loan Documents for a period of twenty-four (24) months thereafter.

Section 4.20 Fees and Expenses. Borrower shall pay all fees, charges, costs and expenses required to satisfy the conditions of the Loan Documents. Without limitation of the foregoing, Borrower will pay, when due, and if paid by Lender will reimburse Lender on demand for, all fees and expenses of the title insurer, environmental engineers, appraisers, surveyors and Lender's counsel in connection with the closing, administration, modification or any "workout" of the Loan, or the enforcement of Lender's rights and remedies under any of the Loan Documents.

Section 4.21 Appraisals. Lender may obtain from time to time an appraisal of all or any part of the Property, prepared in accordance with written instructions from Lender, from a third-party appraiser satisfactory to, and engaged directly by, Lender. The cost of one such appraisal obtained by Lender in each calendar year and the cost of each such appraisal obtained by Lender following the occurrence of an Event of Default shall be borne by Borrower and shall be paid by Borrower on demand.

Section 4.22 Releases. Borrower shall be entitled to the release of the lien of the Deed of Trust and of any other instrument securing the Note:

(a) from a building or unit therein that is a portion of the Property in accordance with the provisions contained in Schedule 7 hereto.

(b) from any common areas that are part of the Property and are being conveyed to the owners' association for the Property; such release will be without the payment of any release price.

Section 4.23 [Intentionally Left Blank].

Section 4.24 Loan to Value Amount. The Property shall comply with the "Loan to Value Amount," which shall be calculated as follows: Lender's maximum commitment under the Loan shall not exceed an amount equal to the sum of (i) the lesser of ninety-two percent (92.0%) of the appraised value of the Phase I Property, based on the "Bulk Value Upon

Completion" thereof and eighty percent (80.0%) of the appraised value of the Phase I Property, based on the "Aggregate Retail Value" thereof, and (ii) seventy percent (70.0%) of the appraised value of the Phase II Property, based on the "As Is" land value thereof. The appraised value of the Property shall be based upon the Appraisal, as reviewed, adjusted and approved by Lender.

Section 4.25 Loan to Cost Amount. The Property shall have a "Loan to Cost Ratio" of not greater than the sum of (i) ninety percent (90.00%) of the costs of the Phase I Property, and (ii) seventy percent (70.0%) of the costs of the Phase II Property, which "Loan to Cost Ratio" shall be calculated as follows: Lender's maximum commitment under the Loan divided by total Property costs.

Section 4.26 [Intentionally Left Blank].

Section 4.27 Minimum Liquidity. Borrower shall cause Guarantor to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Two Million And No/100 Dollars (\$2,000,000.00).

Section 4.28 Tangible Net Worth plus Subordinated Debt. Borrower shall cause Guarantor to maintain at the end of each fiscal quarter on a consolidated basis a Tangible Net Worth equal to at least One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

"Tangible Net Worth" means the gross book value of Guarantor's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles), plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form) less Total Liabilities (as defined in Section 4.29), including but not limited to accrued and deferred income taxes, and any reserves against assets.

Section 4.29 Total Liabilities to Tangible Net Worth Ratio. Borrower shall cause Guarantor to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2007 and 5.0 to 1.0 thereafter.

"Total Liabilities" means the sum of current liabilities plus long term liabilities plus joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

Section 4.30 Evidence at Closing. Prior to the initial Advance of Loan proceeds, Borrower shall provide to Lender evidence of the following:

(a) Borrower's equity contribution in the minimum amount of FOUR MILLION FIVE HUNDRED ELEVEN THOUSAND NINE HUNDRED FIFTY-THREE AND NO/100 DOLLARS (\$4,511,953.00) which represents approximately 12.0% of the total Property costs. Evidence of Borrower's equity contribution shall be acceptable to Lender in its sole and

absolute discretion, and may include but may not be limited to cancelled checks or other evidence of payment and/or lien waivers.

ARTICLE V NEGATIVE COVENANTS

Section 5.1 Conditional Sales. Borrower shall not incorporate in the Improvements any property acquired under a conditional sales contract or lease or as to which the vendor retains title or a security interest, without the prior written consent of Lender.

Section 5.2 Changes to Plans and Specifications. Borrower shall not make or permit any material changes in the Plans and Specifications, including any such changes that alter, diminish or add to the work to be performed or change the design of the Improvements, without the prior written consent of Lender and under such reasonable conditions as Lender may establish. Lender's prior written consent shall not be required, however, as to any change order which (a) individually does not cause the Budget to be increased or decreased by more than One Hundred Thousand And No/100 Dollars (\$100,000.00) and, when added to all previous change orders, does not cause the Budget to be increased or decreased by more than Five Hundred Thousand And No/100 Dollars (\$500,000.00) in the aggregate, (b) does not result in a material change to the design of the Improvements, and (c) has been approved in writing by the Architect and any Governmental Authority, tenant or other party whose approval is required.

Section 5.3 Insurance Policies and Bonds. Borrower shall not do or permit to be done anything that would affect the coverage or indemnities provided for pursuant to the provisions of any insurance policy, performance bond, labor and material payment bond or any other bond given in connection with the development of the Land or the construction of the Improvements.

ARTICLE VI EVENTS OF DEFAULT

The occurrence or happening, from time to time, of any one or more of the following shall constitute an Event of Default under this Agreement:

Section 6.1 Payment Default. Borrower fails to pay any Obligation under this Agreement when due, whether on the scheduled due date or upon acceleration, maturity or otherwise and such failure is not cured within five (5) days after receipt of Notice from Lender to Borrower, provided, however, no Notice shall be required at maturity.

Section 6.2 Default Under Other Loan Documents. An Event of Default (as defined therein) occurs under the Note or the Deed of Trust, or Borrower fails to promptly pay, perform, observe or comply with any term, obligation or agreement contained in any of the other Loan Documents (within any applicable grace or cure period) or Guarantor fails to perform, observe or comply with any term, obligation or agreement contained in any Guaranty (within any applicable grace or cure period).

Section 6.3 Accuracy of Information: Representations and Warranties. Any information contained in any financial statement, schedule, report or any other document delivered by Borrower or any other Person to Lender in connection with the Loan proves at any

time not to be in all material respects true and accurate, or Borrower or any other Person shall have failed to state any material fact or any fact necessary to make such information not misleading, or any representation or warranty contained in this Agreement or in any other Loan Document or other document, certificate or opinion delivered to Lender in connection with the Loan, proves at any time to be incorrect or misleading in any material respect either on the date when made or on the date when reaffirmed pursuant to the terms of this Agreement.

Section 6.4 Deposits. Borrower fails to deposit funds with Lender, in the amount requested by Lender, pursuant to the provisions of Section 4.3 or Section 4.11 hereof, within ten (10) days from the receipt by Borrower of a Notice from Lender requesting such deposit, or Borrower fails to deliver to Lender any Condemnation Awards or Insurance Proceeds within fifteen (15) days after Borrower's receipt thereof.

Section 6.5 Insurance Obligations. Borrower fails to promptly perform or comply with any of the covenants contained in the Loan Documents with respect to maintaining insurance, including the covenants contained in Section 4.9 hereof.

Section 6.6 Other Obligations. Borrower fails to promptly perform or comply with any of the Obligations set forth in this Agreement (other than those expressly described in other Sections of this Article VI), and such failure continues uncured for a period of fifteen (15) days after receipt of Notice from Lender to Borrower.

Section 6.7 Progress of Construction. Construction of the Improvements is abandoned or is discontinued for a period of more than thirty (30) consecutive days, but excluding any discontinuance caused by Force Majeure.

Section 6.8 [Intentionally Left Blank].

Section 6.9 Lapse of Permits or Approvals. Any permit, license, certificate or approval that Borrower is required to obtain with respect to the construction, operation, development, leasing or maintenance of the Property lapses or ceases to be in full force and effect and is not replaced or removed within fifteen (15) days of Borrower's receipt of notice thereof.

Section 6.10 Completion of Construction. Completion of Construction does not occur on or before the Completion Date.

Section 6.11 Mechanic's Lien. A lien for the performance of work or the supply of materials filed against the Property, or any stop notice served on Borrower or Lender, remains unsatisfied or unbonded for a period of thirty (30) days after the date of filing or service or as of any earlier date on which the lien claimant shall commence an enforcement action.

Section 6.12 Survey Matters. Any Survey required by Lender during the period of construction shows any matter which in Lender's reasonable judgment would materially interfere with the construction of the Improvements or the operation or use of the Property, and such matter is not removed within a period of thirty (30) days after Notice thereof by Lender to Borrower.

Section 6.13 [Intentionally Left Blank].

Section 6.14 Performance Enjoined or Prohibited. Borrower is enjoined or prohibited from performing any of its obligations under any of the Loan Documents for a period of more than fifteen (15) consecutive days.

Section 6.15 Bankruptcy. Borrower or Guarantor files a bankruptcy petition or makes a general assignment for the benefit of creditors, or a bankruptcy petition is filed against Borrower and such involuntary bankruptcy petition continues undismissed for a period of ninety (90) days after the filing thereof.

Section 6.16 Appointment of Receiver, Trustee, Liquidator. Borrower or Guarantor applies for or consents in writing to the appointment of a receiver, trustee or liquidator of Borrower or Guarantor, the Property, or all or substantially all of the other assets of Borrower or Guarantor, or an order, judgment or decree is entered by any court of competent jurisdiction on the application of a creditor appointing a receiver, trustee or liquidator of Borrower or Guarantor, the Property, or all or substantially all of the other assets of Borrower or Guarantor.

Section 6.17 Judgment. A final nonappealable judgment for the payment of money involving more than \$300,000.00 is entered against Borrower, and Borrower fails to discharge the same, or fails to cause it to be discharged or bonded off to Lender's satisfaction, within thirty (30) days from the date of the entry of such judgment.

Section 6.18 Dissolution; Change in Business Status. Unless the written consent of Lender is previously obtained, all or substantially all of the business assets of Borrower are sold, Borrower is dissolved, or there occurs any change in the form of business entity through which Borrower presently conducts its business or any merger or consolidation involving Borrower.

Section 6.19 [Intentionally Left Blank].

Section 6.20 [Intentionally Left Blank].

Section 6.21 Change in Interest in Borrower. Without the prior written consent of Lender, more than fifty percent (50.0%) of the voting power in Guarantor is transferred to another Person. Notwithstanding the foregoing, transfers of any interest in Guarantor to any person or entity that is directly or indirectly controlled by, controlling or under common control of or with (a) Opus West Corporation, Opus Corporation, Opus, L.L.C., (b) the founder of Opus Corporation, his children, his grandchildren or other members of his family, or (c) the trustee of a trust or trust for the benefit of the founder of Opus Corporation, his children, his grandchildren or other members of his family, shall be permitted hereunder without Lender's consent so long as Opus West Corporation remains fully obligated for the payment of the Obligation as a guarantor. NOTICE - THE LOAN IS SUBJECT TO ACCELERATION IN THE EVENT OF A TRANSFER WHICH IS PROHIBITED UNDER THIS SECTION 6.21.

Section 6.22 Material Adverse Change. In the reasonable opinion of Lender, the prospect of payment or performance of all or any part of the Obligations has been impaired because of a material adverse change in the financial condition, results of operations, business or properties of Borrower or Guarantor.

**ARTICLE VII
REMEDIES ON DEFAULT**

Section 7.1 Remedies on Default. Upon the happening of any Event of Default, Lender shall have the right, in addition to any other rights or remedies available to Lender under the Deed of Trust or any of the other Loan Documents or under applicable Law, to exercise any one or more of the following rights and remedies:

(a) Lender may terminate its obligation to advance any further principal of the Loan pursuant to this Agreement by Notice to Borrower.

(b) Lender may accelerate all of Borrower's and Guarantor's Obligations under the Loan Documents whereupon such Obligations shall become immediately due and payable, without notice of default, acceleration or intention to accelerate, presentment or demand for payment, protest or notice of nonpayment or dishonor, or notices or demands of any kind or character (all of which are hereby waived by Borrower).

(c) Lender may apply to any court of competent jurisdiction for, and obtain appointment of, a receiver for the Property.

(d) Lender may set off the amounts due Lender under the Loan Documents against any and all accounts, credits, money, securities or other property of Borrower now or hereafter on deposit with, held by or in the possession of Lender to the credit or for the account of Borrower, without notice to or the consent of Borrower.

(e) Lender may enter into possession of the Property and perform any and all work and labor necessary to complete the development of the Land and to employ watchmen to protect the Property and the Improvements. All sums expended by Lender for such purposes shall be deemed to have been advanced to Borrower under the Note and shall be secured by the Deed of Trust. For this purpose, Borrower hereby constitutes and appoints Lender its true and lawful attorney-in-fact with full power of substitution, which power is coupled with an interest, to complete the work in the name of Borrower, and hereby empowers said attorney or attorneys, in the name of Borrower or Lender:

(i) To use any funds of Borrower including any balance which may be held by Lender and any funds which may remain unadvanced hereunder for the purpose of completing the development of the Land and the construction of the Improvements, whether or not in the manner called for in the Plans and Specifications;

(ii) To make such additions and changes and corrections to the Plans and Specifications as shall be necessary or desirable in the judgment of Lender to complete the development of the Land and the construction of the Improvements;

(iii) To employ such contractors, subcontractors, agents, architects and inspectors as shall be necessary or desirable for said purpose;

(iv) To pay, settle or compromise all existing bills and claims which are or may be liens against the Property, or may be necessary or desirable for the completion of the work or the clearance of title to the Property;

(v) To execute all applications and certificates which may be required in the name of Borrower;

(vi) To enter into, enforce, modify or cancel Leases and to fix or modify Rents on such terms as Lender may consider proper;

(vii) To file for record, at Borrower's cost and expense and in Borrower's name, any notices of completion, notices of cessation of labor, or any other notices that Lender in its sole and absolute discretion may consider necessary or desirable to protect its security; and

(viii) To do any and every act with respect to the development of the Land and the construction of the Improvements which Borrower may do in its own behalf.

It is understood and agreed that this power of attorney shall be deemed to be a power coupled with an interest which cannot be revoked and for purposes of A.R.S. § 14-5501.E Borrower acknowledges that this power of attorney forms a part of the contract which is this Agreement and is security for money or for the performance of a valuable act. Said attorney-in-fact shall also have the power to prosecute and defend all actions or proceedings in connection with the development of the Land and the construction of the Improvements and to take such actions and to require such performance as Lender may deem necessary. Any authority under the foregoing power of attorney may be exercised for Lender's benefit, need not be exercised for Borrower's best interest, and is hereby separately initialed by Borrower pursuant to A.R.S. § 14-5506.B. [Borrower Initials: J Witness Initials:]

Section 7.2 No Release or Waiver, Remedies Cumulative and Concurrent. Borrower shall not be relieved of any Obligation by reason of the failure of Lender to comply with any request of Borrower or of any other Person to take action to foreclose on the Property under the Deed of Trust or otherwise to enforce any provision of the Loan Documents, or by reason of the release, regardless of consideration, of all or any part of the Property. No delay or omission of Lender to exercise any right, power or remedy accruing upon the happening of an Event of Default shall impair any such right, power or remedy or shall be construed to be a waiver of any such Event of Default or any acquiescence therein. No delay or omission on the part of Lender to exercise any option for acceleration of the maturity of the Obligations, or for foreclosure of the Deed of Trust following any Event of Default as aforesaid, or any other option granted to

Lender hereunder in any one or more instances, or the acceptance by Lender of any partial payment on account of the Obligations shall constitute a waiver of any such Event of Default and each such option shall remain continuously in full force and effect. No remedy herein conferred upon or reserved to Lender is intended to be exclusive of any other remedies provided for in the Loan Documents, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder, or under the Loan Documents, or now or hereafter existing at Law or in equity or by statute. Every right, power and remedy given by the Loan Documents to Lender shall be concurrent and may be pursued separately, successively or together against Borrower or the Property or any part thereof, and every right, power and remedy given by the Loan Documents may be exercised from time to time as often as may be deemed expedient by Lender.

ARTICLE VIII MISCELLANEOUS

Section 8.1 Further Assurances; Authorization to File Documents. At any time, and from time to time, upon request by Lender, Borrower will, at Borrower's expense, (a) correct any defect, error or omission which may be discovered in the form or content of any of the Loan Documents, and (b) make, execute, deliver and record, or cause to be made, executed, delivered and recorded, any and all further instruments, certificates and other documents as may, in the opinion of Lender, be necessary or desirable in order to complete, perfect or continue and preserve the lien of the Deed of Trust. Upon any failure by Borrower to do so, Lender may make, execute and record any and all such instruments, certificates and other documents for and in the name of Borrower, all at the sole expense of Borrower, and Borrower hereby appoints Lender the agent and attorney-in-fact of Borrower to do so, this appointment being coupled with an interest and being irrevocable; for purposes of A.R.S. § 14-5501.E Borrower acknowledges that this power of attorney forms a part of the contract which is this Agreement and is security for money or for the performance of a valuable act. Without limitation of the foregoing, Borrower irrevocably authorizes Lender at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements deemed necessary or desirable by Lender to establish or maintain the validity, perfection and priority of the security interests granted in the Deed of Trust, and Borrower ratifies any such filings made by Lender prior to the date hereof. In addition, at any time, and from time to time, upon request by Lender, Borrower will, at Borrower's expense, provide any and all further instruments, certificates and other documents as may, in the opinion of Lender, be necessary or desirable in order to verify Borrower's identity and background in a manner satisfactory Lender. Any authority under the foregoing power of attorney may be exercised for Lender's benefit, need not be exercised for Borrower's best interest, and is hereby separately initialed by Borrower pursuant to A.R.S. § 14-5506.B. [Borrower Initials: CV Witness Initials:]

Section 8.2 No Warranty by Lender. By accepting or approving anything required to be observed, performed or fulfilled by Borrower or to be given to Lender pursuant to this Agreement, including any certificate, Survey, receipt, appraisal or insurance policy, Lender shall not be deemed to have warranted or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof and any such acceptance or approval thereof shall not be or constitute any warranty or representation with respect thereto by Lender.

Section 8.3 Standard of Conduct of Lender. Nothing contained in this Agreement or any other Loan Document shall limit the right of Lender to exercise its business judgment or to act, in the context of the granting or withholding of any advance or consent under this Agreement or any other Loan Document, in a subjective manner, whether or not objectively reasonable under the circumstances, so long as Lender's exercise of its business judgment or action is made or undertaken in good faith. Borrower and Lender intend by the foregoing to set forth and affirm their entire understanding with respect to the standard pursuant to which Lender's duties and obligations are to be judged and the parameters within which Lender's discretion may be exercised hereunder and under the other Loan Documents. As used herein, "good faith" means honesty in fact in the conduct and transaction concerned.

Section 8.4 No Partnership. Nothing contained in this Agreement shall be construed in a manner to create any relationship between Borrower and Lender other than the relationship of borrower and lender and Borrower and Lender shall not be considered partners or co-venturers for any purpose on account of this Agreement.

Section 8.5 Severability. In the event any one or more of the provisions of this Agreement or any of the other Loan Documents shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any other respect, or in the event any one or more of the provisions of any of the Loan Documents operates or would prospectively operate to invalidate this Agreement or any of the other Loan Documents, then and in either of those events, at the option of Lender, such provision or provisions only shall be deemed null and void and shall not affect the validity of the remaining Obligations, and the remaining provisions of the Loan Documents shall remain operative and in full force and effect and shall in no way be affected, prejudiced or disturbed thereby.

Section 8.6 Notices. All Notices required or which any party desires to give hereunder or under any other Loan Document shall be in writing and, unless otherwise specifically provided in such other Loan Document, shall be deemed sufficiently given or furnished if delivered by personal delivery, by nationally recognized overnight courier service or by certified United States mail, postage prepaid, addressed to the party to whom directed at the applicable address set forth at the end of this Agreement (unless changed by similar notice in writing given by the particular party whose address is to be changed) or by facsimile. Any Notice shall be deemed to have been given either at the time of personal delivery or, in the case of courier or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile, upon receipt; provided that service of a Notice required by any applicable statute shall be considered complete when the requirements of that statute are met. Notwithstanding the foregoing, no notice of change of address shall be effective except upon actual receipt. This Section shall not be construed in any way to affect or impair any waiver of notice or demand provided in this Agreement or in any other Loan Document or to require giving of notice or demand to or upon any Person in any situation or for any reason.

Section 8.7 Permitted Successors and Assigns; Disclosure of Information.

(a) Each and every one of the covenants, terms, provisions and conditions of this Agreement and the Loan Documents shall apply to, bind and inure to the benefit of Borrower, its successors and those assigns of Borrower consented to in writing by Lender, and

shall apply to, bind and inure to the benefit of Lender and the endorsees, transferees, successors and assigns of Lender, and all Persons claiming under or through any of them.

(b) Borrower agrees not to transfer, assign, pledge or hypothecate any right or interest in any payment or advance due pursuant to this Agreement, or any of the other benefits of this Agreement, without the prior written consent of Lender, which consent may be withheld by Lender in its sole and absolute discretion. Any such transfer, assignment, pledge or hypothecation made or attempted by Borrower without the prior written consent of Lender shall be void and of no effect. No consent by Lender to an assignment shall be deemed to be a waiver of the requirement of prior written consent by Lender with respect to each and every further assignment and as a condition precedent to the effectiveness of such assignment.

(c) Lender may sell or offer to sell the Loan or interests therein to one or more assignees or participants. Borrower shall execute, acknowledge and deliver any and all instruments reasonably requested by Lender in connection therewith, and to the extent, if any, specified in any such assignment or participation, such assignee(s) or participant(s) shall have the same rights and benefits with respect to the Loan Documents as such Person(s) would have if such Person(s) were Lender hereunder. Lender may disseminate any information it now has or hereafter obtains pertaining to the Loan, including any security for the Loan, any credit or other information on the Property (including environmental reports and assessments), Borrower, any of Borrower's principals, to any actual or prospective assignee or participant, to Lender's affiliates, including Banc of America Securities LLC, to any regulatory body having jurisdiction over Lender or to any other party as necessary or appropriate in Lender's reasonable judgment.

Section 8.8 Modification: Waiver. None of the terms or provisions of this Agreement may be changed, waived, modified, discharged or terminated except by instrument in writing executed by the party or parties against whom enforcement of the change, waiver, modification, discharge or termination is asserted. None of the terms or provisions of this Agreement shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 8.9 Third Parties: Benefit. All conditions to the obligation of Lender to make advances hereunder are imposed solely and exclusively for the benefit of Lender and its assigns and no other Persons shall have standing to require satisfaction of such conditions in accordance with their terms or be entitled to assume that Lender will refuse to make advances in the absence of strict compliance with any or all thereof and no other Person shall, under any circumstances, be deemed to be the beneficiary of such conditions, any or all of which may be freely waived in whole or in part by Lender at any time in the sole and absolute exercise of its discretion. The terms and provisions of this Agreement are for the benefit of the parties hereto and, except as herein specifically provided, no other Person shall have any right or cause of action on account thereof.

Section 8.10 Rules of Construction. The words "hereof," "herein," "hereunder," "hereto," and other words of similar import refer to this Agreement in its entirety. The terms "agree" and "agreements" mean and include "covenant" and "covenants." The words "include" and "including" shall be interpreted as if followed by the words "without limitation." The captions and headings contained in this Agreement are included herein for convenience of

reference only and shall not be considered a part hereof and are not in any way intended to define, limit or enlarge the terms hereof. All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to the Loan Documents are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (d) to the Land, the Improvements or the Property shall mean all or any portion of each of the foregoing, respectively, and (e) to Articles, Sections and Schedules are to the respective Articles, Sections and Schedules contained in this Agreement unless expressly indicated otherwise.

Section 8.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be considered an original for all purposes; provided, however, that all such counterparts shall together constitute one and the same instrument.

Section 8.12 Signs; Publicity. At Lender's request, but at the expense of Borrower, Borrower shall place Lender's name on any sign displaying any financier's name or development partners. Borrower expressly authorizes Lender to prepare and to furnish to the news media for publication from time to time news releases with respect to the Property, specifically to include releases detailing Lender's involvement with the financing of the Property.

Section 8.13 Governing Law. This Agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State.

Section 8.14 Time of Essence. Time shall be of the essence for each and every provision of this Agreement of which time is an element.

Section 8.15 Electronic Transmission of Data. Lender and Borrower agree that certain data related to the Loan (including confidential information, documents, applications and reports) may be transmitted electronically, including transmission over the Internet. This data may be transmitted to, received from or circulated among agents and representatives of Borrower and/or Lender and their affiliates and other Persons involved with the subject matter of this Agreement. Borrower acknowledges and agrees that (a) there are risks associated with the use of electronic transmission and that Lender does not control the method of transmittal or service providers, (b) Lender has no obligation or responsibility whatsoever and assumes no duty or obligation for the security, receipt or third party interception of any such transmission, and (c) Borrower will release, hold harmless and indemnify Lender for, from and against any claim, damage or loss, including that arising in whole or part from Lender's strict liability or sole, comparative or contributory negligence, which is related to the electronic transmission of data.

Section 8.16 Dispute Resolution Provision. This Section, including the subsections below, is referred to as the "Dispute Resolution Provision." This Dispute Resolution Provision is a material inducement for the parties entering into this Agreement.

(a) This Dispute Resolution Provision concerns the resolution of any controversies or claims between or among the parties, whether arising in contract, tort or by statute, including controversies or claims that arise out of or relate to: (i) this Agreement (including any renewals, extensions or modifications); or (ii) any Loan Document or any other

document related to this Agreement (collectively, a "Dispute"). For the purposes of this Dispute Resolution Provision only, the term "parties" shall include any parent corporation, subsidiary or affiliate of Lender involved in the servicing, management or administration of any obligation described or evidenced by this Agreement.

(b) Except to the extent expressly provided below, any Dispute shall, upon the mutual agreement of the parties, acting in their sole and absolute discretion, be resolved by binding arbitration in accordance with the Federal Arbitration Act (Title 9, U.S. Code) (the "Federal Arbitration Act"). The Federal Arbitration Act will apply even though this Agreement provides that it is governed by Arizona law.

(c) Arbitration proceedings will be determined in accordance with the Federal Arbitration Act, the then-current rules and procedures for the arbitration of financial services disputes of the AAA and the terms of this Dispute Resolution Provision. In the event of any inconsistency, the terms of this Dispute Resolution Provision shall control. If AAA is unwilling or unable to (i) serve as the provider of arbitration or (ii) enforce any provision of this arbitration clause, Lender may designate another arbitration organization with similar procedures to serve as the provider of arbitration.

(d) The arbitration shall be administered by AAA and conducted, unless otherwise required by law, in any U.S. state where real or tangible personal property for the Loan is located or if there is no such collateral, in the state specified in the governing law section of this Agreement. All Disputes shall be determined by one arbitrator; however, if Disputes exceed Five Million Dollars (\$5,000,000), upon the request of any party, the Disputes shall be decided by three arbitrators. All arbitration hearings shall commence within ninety (90) days of the demand for arbitration and close within ninety (90) days of commencement and the award of the arbitrator(s) shall be issued within thirty (30) days of the close of the hearing. However, the arbitrator(s), upon a showing of good cause, may extend the commencement of the hearing for up to an additional sixty (60) days. The arbitrator(s) shall provide a concise written statement of reasons for the award. The arbitration award may be submitted to any court having jurisdiction to be confirmed and have judgment entered and enforced.

(e) The arbitrator(s) will give effect to statutes of limitations in determining any Dispute and may dismiss the arbitration on the basis that the Dispute is barred. For purposes of the application of any statutes of limitation, the service on AAA under applicable AAA rules of a notice of Dispute is the equivalent of the filing of a lawsuit. Any dispute concerning this arbitration provision or whether a Dispute is arbitrable shall be determined by the arbitrator(s), except as set forth at clause (j) of this Dispute Resolution Provision. The arbitrator(s) shall have the power to award legal fees pursuant to the terms of this Agreement.

(f) The procedure described above will not apply if the Dispute, at the time of the proposed submission to arbitration, arises from or relates to an obligation to Lender secured by real property. In this case, all of the parties to this Agreement, in their sole and absolute discretion, must consent to submission of the Dispute to arbitration.

(g) To the extent any Disputes are not arbitrated, to the extent permitted by law the Disputes shall be resolved in court by a judge without a jury, except any Disputes which are brought in California state court shall be determined by judicial reference as described below.

(h) Any Dispute which is not arbitrated and which is brought in California state court will be resolved by a general reference to a referee (or a panel of referees) as provided in California Code of Civil Procedure ("CCP") Section 638. The referee (or presiding referee of the panel) shall be a retired Judge or Justice. The referee (or panel of referees) shall be selected by mutual written agreement of the parties. If the parties do not agree, the referee shall be selected by the Presiding Judge of the Court (or his or her representative) as provided in CCP Section 638 and the following related sections. The referee shall determine all issues in accordance with existing California law and the California rules of evidence and civil procedure. The referee shall be empowered to enter equitable as well as legal relief, provide all temporary or provisional remedies, enter equitable orders that will be binding on the parties and rule on any motion which would be authorized in a trial, including motions for summary judgment or summary adjudication. The award that results from the decision of the referee(s) will be entered as a judgment in the court that appointed the referee, in accordance with the provisions of CCP Sections 644(a) and 645. The parties reserve the right to seek appellate review of any judgment or order, including orders pertaining to class certification, to the same extent permitted in a court of law.

(i) This Dispute Resolution Provision does not limit the right of any party to: (i) exercise self-help remedies, such as but not limited to, setoff; (ii) initiate judicial or non-judicial foreclosure against any real or personal property collateral; (iii) exercise any judicial or power of sale rights; or (iv) act in a court of law to obtain an interim remedy, such as but not limited to, injunctive relief, writ of possession or appointment of a receiver, or additional or supplementary remedies. The filing of a court action is not intended to constitute a waiver of the right of any party, including the suing party, thereafter to request or require submittal of the Dispute to arbitration or judicial reference as provided herein.

(j) Any arbitration, judicial reference or trial by a judge of any Dispute will take place on an individual basis without resort to any form of class or representative action (the "Class Action Waiver"). Regardless of anything else in this Dispute Resolution Provision, the validity and effect of the Class Action Waiver may be determined only by a court or referee and not by an arbitrator. The parties to this Agreement acknowledge that the Class Action Waiver is material and essential to the arbitration of any claims between the parties and is nonseverable from the agreement to arbitrate Disputes. If the Class Action Waiver is limited, voided or found unenforceable, then the parties' agreement to arbitrate shall be null and void with respect to such proceeding, subject to the right to appeal the limitation or invalidation of the Class Action Waiver. The parties acknowledge and agree that under no circumstances will a class action be arbitrated.

(k) By agreeing to binding arbitration or judicial reference, the parties irrevocably and voluntarily waive any right they may have to a trial by jury as permitted by law in respect of any Dispute. Furthermore, without intending in any way to limit this Dispute Resolution Provision, to the extent any Dispute is not arbitrated or submitted to judicial reference, the parties irrevocably and voluntarily waive any right they may have to a trial by jury

to the extent permitted by law in respect of such Dispute. This waiver of jury trial shall remain in effect even if the Class Action Waiver is limited, voided or found unenforceable. WHETHER THE DISPUTE IS DECIDED BY ARBITRATION, BY JUDICIAL REFERENCE, OR BY TRIAL BY A JUDGE, THE PARTIES AGREE AND UNDERSTAND THAT THE EFFECT OF THIS AGREEMENT IS THAT THEY ARE GIVING UP THE RIGHT TO TRIAL BY JURY TO THE EXTENT PERMITTED BY LAW.

Section 8.17 Forum. Borrower hereby irrevocably submits generally and unconditionally for itself and in respect of its property to the jurisdiction of any state court or any United States federal court sitting in the State specified in the governing law section of this Agreement and to the jurisdiction of any state court or any United States federal court sitting in the state in which any of the Property is located, over any Dispute. Borrower hereby irrevocably waives, to the fullest extent permitted by Law, any objection that Borrower may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. Borrower hereby agrees and consents that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any state court or any United States federal court sitting in the state specified in the governing law section of this Agreement may be made by certified or registered mail, return receipt requested, directed to Borrower at its address for notice set forth in this Agreement, or at a subsequent address of which Lender received actual notice from Borrower in accordance with the notice section of this Agreement, and service so made shall be complete five (5) days after the same shall have been so mailed. Nothing herein shall affect the right of Lender to serve process in any manner permitted by Law or limit the right of Lender to bring proceedings against Borrower in any other court or jurisdiction.

Section 8.18 USA Patriot Act Notice. Lender hereby notifies Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), Lender is required to obtain, verify and record information that identifies Borrower, which information includes the name and address of Borrower and other information that will allow Lender to identify Borrower in accordance with the Act.

Section 8.19 Entire Agreement. The Loan Documents constitute the entire understanding and agreement between Borrower and Lender with respect to the transactions arising in connection with the Loan, and supersede all prior written or oral understandings and agreements between Borrower and Lender with respect to the matters addressed in the Loan Documents. In particular, and without limitation, the terms of any commitment by Lender to make the Loan are merged into the Loan Documents. Except as incorporated in writing into the Loan Documents, there are no representations, understandings, stipulations, agreements or promises, oral or written, with respect to the matters addressed in the Loan Documents.

IN WITNESS WHEREOF, Borrower and Lender have caused this Agreement to be executed as of the date first above written.

Borrower's Address for Notices:

2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Senior Vice President, Real Estate
Finance and Sales

with a copy to:

2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Legal Department

with a copy to:

Luce, Forward, Hamilton & Scripps LLP
600 West Broadway, Suite 2600
San Diego, California 92101
Attn: David M. Hymer, Esq.
Telephone: (619) 699-2518
Fax: (619) 645-5334

Lender's Address for Notices:

Mail Code: AZ1-200-22-17
201 East Washington Street, 22nd Floor
Phoenix, Arizona 85004-2343
Attn: N. Alonzo

O.W. COMMERCIAL, INC., a Delaware corporation

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

[Initial Sections 4.3, 7.1 and 8.1]

BANK OF AMERICA, N.A., a national banking association

By: [Signature]
Name: EDUARDO MARTINEZ
Title: ASST. VICE PRESIDENT

SCHEDULE 1

DEFINITIONS

Unless the context otherwise specifies or requires, the following terms shall have the meanings herein specified, such definitions to be applicable equally to the singular and the plural forms of such terms and to all genders:

"AAA" means the American Arbitration Association, or any successor thereof.

"Act" means the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"Architect" means Opus Architects and Engineers, Inc., a Minnesota corporation, its successors and permitted assigns.

"Architect's Contract" means the agreement dated January 1, 2000 as supplemented as of October 19, 2006, by and between the Contractor and the Architect, as architect, and any other contract for architectural services relating to the development of the Land and/or the construction of the Improvements between Borrower and an architect, and approved in writing by Lender, as the same may be amended from time to time with the prior written approval of Lender.

"Authorized Signer" means any signer of this Agreement, acting alone, or any other representative of Borrower duly designated and authorized by any Authorized Signer to sign draw requests in a writing addressed to Lender, which writing may include a draw request in the form attached hereto as Schedule 2.

"Banking Day" means any day that is not a Saturday, Sunday or banking holiday in the State.

"Borrower's Deposit Account" means an account established with Lender pursuant to the terms of Section 4.3.

"Budget" means the breakdown of hard costs and soft costs attached hereto as Schedule 3, as the same may be revised from time to time with the written approval of Lender.

"Casualty" means any act or occurrence of any kind or nature that results in damage, loss or destruction to the Property.

"City" means the City of Fremont, California.

"Claim" means any liability, suit, action, claim, demand, loss, expense, penalty, fine, judgment or other cost of any kind or nature whatsoever, including fees, costs and expenses of attorneys, consultants, contractors and experts arising out of or relating to the Property.

"Closing Checklist" means that certain Closing Requirements and Checklist setting forth the conditions for closing the Loan and recording the Deed of Trust.

"Code" means the Internal Revenue Code of 1986, as amended.

"Completion of Construction" means, with respect to the construction of the Improvements or any component thereof, the satisfaction of all of the conditions of Section 5 of Schedule 5.

"Condemnation" means any taking of title to, use of, or any other interest in the Property under the exercise of the power of condemnation or eminent domain, whether temporarily or permanently, by any Governmental Authority or by any other Person acting under or for the benefit of a Governmental Authority.

"Condemnation Awards" means any and all judgments, awards of damages (including severance and consequential damages), payments, proceeds, settlements, amounts paid for a taking in lieu of Condemnation, or other compensation heretofore or hereafter made, including interest thereon, and the right to receive the same, as a result of, or in connection with, any Condemnation or threatened Condemnation.

"Construction Consultant" means a person or firm appointed or designated by Lender from time to time to inspect the progress of the development of the Land, the construction of the Improvements and the conformity of construction with the Plans and Specifications, the Budget and the Project Schedule, and to perform such other acts and duties for such other purposes as Lender may from time to time deem appropriate or as may be required by the terms of this Agreement.

"Construction of the Improvements" means the development of the Land and/or the construction of the Improvements.

"Deed of Trust" means the Construction Deed of Trust, Assignment, Security Agreement and Fixture Filing of even date herewith given by Borrower to Lender to secure the Obligations except for Obligations arising out of the Environmental Agreement, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Default" means an event or circumstance that, with the giving of Notice or lapse of time, or both, would constitute an Event of Default under the provisions of this Agreement.

"Deferred Equity" has the meaning ascribed to such term in Schedule 5.

"Dispute" has the meaning ascribed to such term in Section 8.16.

"Environmental Agreement" means the Environmental Indemnification and Release Agreement of even date herewith by and between Borrower and Lender pertaining to the Property, as the same may from time to time be extended, amended, restated or otherwise modified.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Event of Default" means any event or circumstance specified in Article VI and the continuance of such event or circumstance beyond the applicable grace and/or cure periods therefor, if any, set forth in Article VI.

"Expenses" means all fees, charges, costs and expenses of any nature whatsoever incurred at any time and from time to time (whether before or after an Event of Default) by Lender in making, funding, administering or modifying the Loan, in negotiating or entering into any "workout" of the Loan, or in exercising or enforcing any rights, powers and remedies provided in the Deed of Trust or any of the other Loan Documents, including attorneys' fees, court costs, receiver's fees, management fees and costs incurred in the repair, maintenance and operation of, or taking possession of, or selling, the Property.

"Force Majeure" means strikes, lock-outs, war, civil disturbance, natural disaster, acts of terrorism or acts of God which cause a delay in Borrower's performance of an Obligation related to the work of construction; provided, however, that (a) Borrower must give Notice to Lender within ten (10) days after the occurrence of an event which it believes to constitute Force Majeure, (b) in no event shall Force Majeure extend the time for the performance of an Obligation by more than sixty (60) days, and (c) circumstances that can be remedied or mitigated through the payment of money shall not constitute Force Majeure hereunder to the extent such remedy or mitigation is deemed reasonable by Lender in its sole discretion.

"Governmental Authority" means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, service, district or other instrumentality of any governmental entity.

"Guarantor" means Opus West Corporation, a Minnesota corporation.

"Guaranties" means that Guaranty Agreement of even date herewith from Guarantor.

"Improvements" means all on-site and off-site improvements to the Land for an industrial/R&D10-building project to be constructed on the Land, together with all fixtures, tenant improvements and appurtenances now or later to be located on the Land and/or in such improvements.

"Insurance Proceeds" means the insurance claims under and the proceeds of any and all policies of insurance covering the Property or any part thereof, including all returned and unearned premiums with respect to any insurance relating to such Property, in each case whether now or hereafter existing or arising.

"Land" means the land described in and encumbered by the Deed of Trust, which consists of approximately 9.47 acres (the "Phase I Property") and approximately 5.45 acres (the "Phase II Property") at the southeast corner of Bayview Drive and Lakewood Boulevard in Fremont, California.

"Laws" means all federal, state and local laws, statutes, rules, ordinances, regulations, codes, licenses, authorizations, decisions, injunctions, interpretations, orders or decrees of any court or other Governmental Authority having jurisdiction as may be in effect from time to time.

"Letter of Credit" means any letter of credit issued by Lender for the account of Borrower or its nominee in connection with the development of the Land or the construction of the Improvements, together with any and all extensions, renewals or modifications thereof, substitutions therefor or replacements thereof.

"Loan" means the loan from Lender to Borrower, the repayment obligations in connection with which are evidenced by the Note.

"Loan Amount" means an amount not to exceed the least of the following:

- (i) \$31,165,000.00.
- (ii) An amount not to exceed an amount that complies with the Loan to Cost Ratio as defined in Section 4.25.
- (iii) An amount not to exceed the Loan to Value Amount as defined in Section 4.24 based on the appraised value of the Project as evidenced by the Appraisal, as it may be updated.

"Loan Documents" means this Agreement, the Note, the Deed of Trust, the Environmental Agreement, any Swap Contract, the Guaranties, any application or reimbursement agreement executed in connection with any Letter of Credit and any and all other documents which Borrower or any other party or parties have executed and delivered, or may hereafter execute and deliver, to evidence, secure or guarantee the Obligations, or any part thereof, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Net Proceeds," when used with respect to any Condemnation Awards or Insurance Proceeds, means the gross proceeds from any Condemnation or Casualty remaining after payment of all expenses, including attorneys' fees, incurred in the collection of such gross proceeds.

"Note" means the Promissory Note of even date herewith, in an amount equal to the Loan Amount, made by Borrower to the order of Lender, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Notice" means a notice, request, consent, demand or other communication given in accordance with the provisions of Section 8.6 of this Agreement.

"Obligations" means all present and future debts, obligations and liabilities of Borrower to Lender arising pursuant to, or on account of, the provisions of this Agreement, the Note or any of the other Loan Documents, including the obligations: (a) to pay all principal, interest, late charges, prepayment premiums (if any) and other amounts due at any time under the Note; (b) to pay all Expenses, indemnification payments, fees and other amounts due at any time under the Deed of Trust or any of the other Loan Documents, together with interest thereon as provided in the Deed of Trust or such Loan Document; (c) to pay and perform all obligations of Borrower under any Swap Contract; and (d) to perform, observe and comply with all of the terms, covenants and conditions, expressed or implied, which Borrower is required to perform, observe

or comply with pursuant to the terms of the Deed of Trust or any of the other Loan Documents. Notwithstanding any language contained in the Loan Documents, the Obligations of Borrower to pay and perform under the Environmental Agreement are unsecured.

"Person" means an individual, a corporation, a partnership, a joint venture, a limited liability company, a trust, an unincorporated association, any Governmental Authority or any other entity.

"Plans and Specifications" means any and all plans and specifications prepared in connection with the development of the Land and/or the construction of the Improvements and approved in writing by Lender, as the same may from time to time be amended with the prior written approval of Lender.

"Project Schedule" means the schedule for commencement and completion of the development of the Land and construction of the Improvements attached hereto as Schedule 4, as the same may be revised from time to time with the written approval of Lender.

"Property" means the real and personal property conveyed and encumbered by the Deed of Trust, less any property released pursuant to the provisions of Schedule 7 hereof.

"Phase I Property": See the definition of Land.

"Phase II Property": See the definition of Land.

"Release Price" means as to a Building or a Unit (each as defined in Schedule 7), an amount equal to the Release Price for that Building or Unit, as shown on Exhibit A to Schedule 7.

"Rents" means all of the rents, royalties, issues, profits, revenues, earnings, income and other benefits of the Property or any part thereof, or arising from the use or enjoyment of the Property or any part thereof, including all such amounts paid under or arising from any of the Leases and all fees, charges, accounts or other payments for the use or occupancy of rooms or other public facilities within the Property or any part thereof.

"State" means the State of Arizona.

"Survey" means a map or plat of survey of the Land which conforms with Lender's survey requirements set forth in the Closing Checklist and with the "Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys" jointly established and adopted by ALTA, ACSM and NSPS in 2005, and pursuant to the Accuracy Standards as adopted by ALTA, ACSM and NSPS and in effect on the date when the Survey is certified to Lender in the form specified in the Closing Checklist.

"Swap Contract" means any agreement, whether or not in writing, relating to any Swap Transaction, including, unless the context otherwise clearly requires, any form of master agreement (the "Master Agreement") published by the International Swaps and Derivatives Association, Inc., or any other master agreement, entered into between Swap Counterparty and Borrower (or its affiliate) in connection with the Loan, together with any related schedule and

confirmation, as amended, supplemented, superseded or replaced from time to time, relating to or governing any Swap Transaction.

"Swap Counterparty" means Lender or an affiliate of Lender, in its capacity as counterparty under any Swap Contract.

"Swap Transaction" means any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swap option, currency option or any other similar transaction (including any option to enter into the foregoing) or any combination of the foregoing, entered into between Swap Counterparty and Borrower (or its affiliate) in connection with the Loan.

"Taxes" means all taxes and assessments relating to the Property whether general or special, ordinary or extraordinary, or foreseen or unforeseen, which at any time may be assessed, levied, confirmed or imposed by any Governmental Authority or any communities facilities or other private district on Borrower or on any of its properties or assets or any part thereof or in respect of any of its franchises, businesses, income or profits.

SCHEDULE 2

FORM OF DRAW REQUEST

[BORROWER'S LETTERHEAD]

DRAW REQUEST NO. _____

TO: **BANK OF AMERICA, N.A. ("Lender")**

LOAN NO.: _____

PROJECT: **FREMONT TECH CENTER, CA**

LOCATION: **Approximately 14.92 acres at the southeast corner of Bayview Drive and Lakeview Boulevard in Fremont, California**

BORROWER: **O.W. COMMERCIAL, INC., a Delaware corporation**

FOR PERIOD ENDING: _____

In accordance with the Construction Loan Agreement in the amount of \$31,165,000.00 dated May 29, 2007, between Borrower and Lender, Borrower requests that \$ _____ be advanced from Loan proceeds. The proceeds should be credited to the account of _____, Account No. _____, at _____.

1.	CURRENT DRAW REQUEST FOR HARD COSTS	\$ _____
2.	CURRENT DRAW REQUEST FOR SOFT COSTS	\$ _____
3.	TOTAL DRAW REQUEST	\$ _____

AUTHORIZED SIGNER:

Dated: _____

SCHEDULE 3
BUDGET

Borrower Name:	To Be Determined	Relationship GC1#:	301180422
Project Name:	Fremont Youth Center	Borrower GC1#:	
Location:	Fremont, CA	Obligor #:	
Loan Amount:	21,188,000	SAC Portion:	100%
Total Sq. Ft.:	138,285	Date of Borrower's Budget:	
# of Units:	10	Date of RU's Adjusted Budget:	5/3/2007

BUDGET

LINE ITEMS	\$ Per Sq. Ft. of Land Area	% of Total Costs	\$ Per Sq. Ft. of Bldg Area	\$ Per Unit	Total Costs
LAND					
Land Acquisition (Cost)	18.19	20.5%	54.66	748,712	7,487,116.00
Land Acquisition (Cost)- Phase II	10.98	12.4%	33.23	452,644	4,526,443.00
SUB-TOTAL LAND	29.13	32.9%	88.18	1,201,356.00	12,013,559.00
HARD COSTS					
Construction Contract		42.8%	114.17	1,556,688	16,596,804.00
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
Hard Costs Contingency	3.3%	1.4%	3.67	50,008	500,008.00
SUB-TOTAL HARD COSTS		44.0%	117.84	1,606,696.00	16,096,804.00
SOFT COSTS					
Real Estate Taxes		0.2%	0.63	8,641	88,418.00
Testing (ESA, soil, other)		0.1%	0.16	2,000	20,000.00
Government Charges		5.2%	14.06	186,776	1,867,896.00
Preliminary & Design		0.3%	0.82	12,500	125,000.00
Legal		0.4%	1.10	15,000	150,000.00
Sales Commissions		5.3%	14.20	183,532	1,835,323.00
Marketing		0.1%	0.22	3,000	30,000.00
Architectural / Engineering		0.1%	0.16	2,500	25,000.00
LID Assessment Bonds		0.3%	0.73	10,000	100,000.00
Financing Fees and Related Costs		0.8%	2.22	30,288	302,881.00
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
		-	-	-	-
Fees		2.8%	6.88	93,388	933,804.00
Developer's Fee		2.2%	6.62	82,016	820,157.00
Interest Reserve		5.3%	14.07	181,720	1,917,198.00
Operating Deficit		0.2%	0.60	8,204	82,038.00
Risk Cost Contingency		-	-	-	-
SUB-TOTAL SOFT COSTS		23.1%	61.91	843,583	8,435,613.00
TOTAL BUDGET		66.0%	179.69	2,450,279	24,597,877.00
EQUITY / OTHER SOURCES OF FUNDS	TIMING				
Cash (Including Phase I land contribution)	Upfront	12.4%	33.11	451,186	4,511,953.00
Deferred Fees	Deferred	2.3%	6.10	83,102	831,024.00
		-	-	-	-
		-	-	-	-
		-	-	-	-
SUB-TOTAL EQUITY/OTHER SOURCES OF FUNDS		14.6%	39.21	534,288	5,342,977.00
LOAN PROCEEDS		51.4%	140.48	1,915,991	19,168,000.00

NOTES:

1. Total Interest Reserve using interest rate of:
(See attached Interest Reserve Calculation)

7.00%

Comparison to budgeted Interest Reserve (above) of \$1,990,234

**1,817,196
FAVORABLE**

Prepared By:

Martinez, Edgardo - RU

SCHEDULE 4

PROJECT SCHEDULE

1. **Commencement.** Subject to Force Majeure, Borrower shall cause construction of the Improvements to commence no later than June 2007.

2. **Completion of Construction of All Improvements.** Subject to Force Majeure, Borrower shall cause completion of construction of all of the Improvements to occur no later than March 1, 2008.

3. **Outside Date for Completion of Construction.** Regardless of the existence or non-existence or occurrence or non-occurrence of Force Majeure, in no event shall Completion of Construction of the Improvements occur later than the date of the maturity of the Loan.

SCHEDULE 5

ADDITIONAL TERMS REGARDING ADVANCES

The conditions precedent to closing the Loan, recording the Deed of Trust and making the first advance are set forth in the Closing Checklist. Subsequent advances of the Loan shall be subject to the following additional terms and conditions:

1. Advances Under the Budget.

As listed in the Budget: (i) the "Total Costs" are the maximum costs anticipated by Borrower for each item specified; (ii) the "Total Budget" is the maximum cost anticipated by Borrower for the Construction of the Improvements and Borrower's satisfaction of the other requirements of the Loan; (iii) the "Loan Proceeds" are the maximum amount to be advanced under the Loan; (iv) "Upfront Equity" is the amount that Borrower is required to pay toward the Total Costs; and (v) "Deferred Equity" is an additional amount that Borrower is required to pay toward the Total Costs as of the date indicated. Whenever Borrower is required to pay any items from Upfront Equity or Deferred Equity, Lender, at its option, may restrict or prohibit advances of the Loan for such items to the extent that Upfront Equity or Deferred Equity is sufficient to pay such amounts. Whenever Borrower's Upfront Equity or Deferred Equity is on deposit with Lender, Lender shall make all advances first from such equity based on the allocations thereof set forth in the Budget. After the exhaustion of Upfront Equity or Deferred Equity allocated to a given line item, Lender will advance Loan proceeds for that line item pursuant to the Budget.

2. [Intentionally Left Blank].

3. Additional Items Required for Each Advance. Lender shall not be obligated to make an advance of Loan proceeds until and unless the following additional items shall have been received and approved by Lender, as and to the extent required by Lender, prior to the date of the advance:

(a) A notice of title continuation or an endorsement to the title insurance policy with respect to the Land theretofore delivered to Lender, showing that since the last preceding advance, there has been no change in the status of title and no other exception not theretofore approved by Lender, which endorsement shall have the effect of advancing the effective date of the policy to the date of the advance then being made and increasing the coverage of the policy by an amount equal to the advance then being made, if the policy does not by its terms provide automatically for such an increase.

(b) Interim acknowledgments of payment and releases of liens, covering work performed, materials supplied and services rendered through the date of the last preceding advance.

(c) Soil compaction test reports, bearing capacity test reports and concrete test reports.

(d) A foundation Survey and such other current Surveys as Lender may reasonably request, in each instance disclosing no violation, encroachment or other variance from applicable set-backs or other restrictions unless approved in writing by Lender.

(e) Evidence that the Improvements have not been materially damaged by fire or other Casualty unless Lender shall have received Insurance Proceeds, or satisfactory assurance that it will receive such proceeds in a timely manner pursuant to Section 4.10, sufficient in the judgment of Lender to effect a satisfactory restoration and completion of the Improvements in accordance with the terms of the Deed of Trust and this Agreement.

(f) Evidence that all work requiring inspection by any Governmental Authority having or claiming jurisdiction has been duly inspected and approved by such authority and by any rating or inspection organization, bureau, association or office having or claiming jurisdiction.

(g) Evidence, including a report from the Construction Consultant, that all work completed at the time of the application for an advance has been performed in a good and workmanlike manner, that all materials and fixtures usually furnished and installed at that stage of construction have been so furnished and installed, that the Improvements can be completed in accordance with the Project Schedule, and that the balance of the Loan proceeds then held by Lender and available for advance pursuant to the terms of this Agreement, together with other funds which Lender determines to be available to Borrower for such purpose, are and will be sufficient to pay the cost of such completion.

4. Conditions Precedent to All Advances. Lender shall not be obligated to make an advance of Loan proceeds unless the following additional conditions shall have been satisfied or waived in writing by Lender as of the date of each advance:

(a) No lien for the performance of work or supplying of labor, materials or services shall have been filed against the Land and remain unsatisfied or unbonded.

(b) No condition or situation shall exist on the Land which, in the reasonable determination of Lender, constitutes a danger to or impairment of the Property or presents a danger or hazard to the public.

(c) The representations and warranties made in Article III shall be true and correct on and as of the date of the advance with the same effect as if made on such date.

(d) All terms and conditions of the Loan Documents required to be met as of the date of the applicable advance shall have been met to the satisfaction of Lender.

(e) Lender shall have received all due diligence materials it deems necessary with respect to verifying Borrower's identity and background information in a manner satisfactory to Lender.

(f) No Default or Event of Default shall have occurred and be continuing.

5. Advances for Hard Costs. Lender shall make periodic advances for hard costs as construction progresses. Each advance shall be equal to Borrower's total costs as reflected in the applicable draw request, net of retainage in the amount of 5%. Lender shall not be obligated to make the final advance of the Loan for hard costs in the amount of 5% of all hard cost line items in the Budget unless the following additional conditions shall have been satisfied, to the extent required by Lender:

(a) The Construction Consultant shall have certified to Lender that construction has been completed in a good and workmanlike manner, in accordance with applicable requirements of all Governmental Authorities and substantially in accordance with the Plans and Specifications;

(b) To the extent required by applicable Governmental Authorities for the use and occupancy of the Improvements, certificates of occupancy or their equivalent and other applicable permits and releases shall have been issued with respect to the Improvements and copies thereof have been furnished to Lender;

(c) Lender shall have received a satisfactory as-built Survey showing the location of the Improvements;

(d) Lender shall have received a satisfactory final affidavit and full and complete releases of lien from each subcontractor and supplier with respect to work performed and/on materials supplied in the construction of the Improvements;

(e) Lender shall have received a satisfactory set of as-built plans and specifications for the Improvements;

(f) A valid notice of completion shall have been recorded;

(g) Lender shall have received a satisfactory endorsement to its title insurance policy; and

(h) All other terms and conditions of this Agreement and the other Loan Documents required to be met as of the date of the final advance of the Loan for hard costs shall have been met to the satisfaction of Lender.

6. [Intentionally Left Blank].

7. Advances for Stored Materials. No advances will be made for Stored Materials unless (a) Borrower has good title to the Stored Materials and has furnished satisfactory evidence of such title to Lender, to the extent required by Lender, (b) the Stored Materials are components in a form ready for incorporation into the Improvements and will be so incorporated within a period of fifteen (15) days from the date of the advance for the Stored Materials, (c) the Stored Materials are in Borrower's possession and are satisfactorily stored on the Land or at such other location as Lender may approve, in each case with adequate safeguards to prevent commingling with materials for other projects, (d) the Stored Materials are protected and insured against loss, theft and damage in a manner and amount satisfactory to Lender, (e) the Stored Materials have been paid for in full or will be paid for in full from the funds to be advanced, (f) Lender has or will have upon the payment for the Stored Materials from the advanced funds a perfected, first priority security interest in the Stored Materials, (g) all lien rights and claims of the supplier have been released or will be released upon payment with the advanced funds, and (h) following the advance for the Stored Materials, the aggregate amount of advances for Stored Materials that have not yet been incorporated into the Improvements will not exceed TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$250,000.00).

8. [Intentionally Left Blank].

9. [Intentionally Left Blank].

10. Advances for Soft Costs. Lender shall make periodic advances for soft costs, each in the amount requested in the applicable draw request, without retainage.

11. Advances for Interest. Lender shall make periodic advances to pay interest as and when it becomes due. Borrower hereby irrevocably authorizes Lender to make any interest payment on Borrower's behalf by debiting the interest reserve in the amount of the payment and applying the debited amount to accrued and unpaid interest on the Loan.

12. Advances for Developer's Fees. Advances will be made for the developer's fees set forth in the Budget as earned through the course of Construction.

13. [Intentionally Left Blank].

14. Account for Funding Advances. Subject to Lender's right to advance Loan proceeds as provided in this Agreement, Lender may make advances into a Borrower's account per Borrower's instructions. Borrower hereby irrevocably authorizes Lender to deposit any advance to the credit of Borrower in that account, by wire transfer or other deposit. Borrower further irrevocably authorizes Lender to pay and reimburse itself for any Expenses incurred by Lender by debit to such account. This account shall be used solely for the payment of costs and other purposes associated with the Construction of the Improvements, the Property and/or the Loan, and shall not be used for any other purpose.

SCHEDULE 6

[INTENTIONALLY LEFT BLANK]

SCHEDULE 7

RELEASE PROVISIONS

Provided that no Event of Default beyond all applicable cure periods provided in this Agreement exists, Borrower shall be entitled to the release of the lien of the Deed of Trust and of any other instrument securing the Note from a building (each a "**Building**") or a unit in a Building (each a "**Unit**") that is a portion of the Property upon the terms and conditions contained herein, including the payment of the applicable Release Price for each Building and Unit, and subject to the following terms and conditions:

- (a) All state, county, municipal or other commercially reasonable requirements regarding the sale of that Building or Unit shall have been satisfied and evidence thereof provided to Lender.
- (b) Each partial release shall be in connection with the sale of the Building or Unit to a bona fide purchaser for value.
- (c) Lender shall have received such endorsements to its policy of title insurance insuring the lien of the Deed of Trust as Lender may require in order to confirm the priority of Lender's first lien on the Property remaining subject to the Deed of Trust.
- (d) Borrower shall have subjected the Building or the Unit to an agreement providing for the development of that Building or that Unit and the remainder of the Improvements under a common plan and for reciprocal ingress/egress, parking and other easements. That agreement and all other related documents and instruments shall be reasonably satisfactory to Lender in both form and substance.
- (e) Lender shall have received a written request for the partial release together with such documents and information as Lender may reasonably request to verify that the conditions for such release have been satisfied. After receipt of such notice and the satisfaction of all conditions precedent for the partial release, Lender shall deliver to Trustee a standard form "Request for Partial Release and Reconveyance," for the property to be released, executed by Lender and, if requested by Borrower, a Deed of Partial Release and Reconveyance covering the property to be released, to be executed by Lender.
- (f) All reasonable costs and expenses of Lender relating to all releases shall be paid by Borrower, including but not limited to reconveyance fees, title fees, recording fees and legal expenses.
- (g) No partial release shall impair or adversely affect Lender's security in the Property remaining subject to the Deed of Trust or any term or provision of the Deed of Trust as it pertains to the Property remaining subject to the Deed of Trust.

(h) Each Release Price received in connection with the Loan shall be applied as a prepayment of the outstanding principal balance under the Note in the manner provided therein for prepayments of principal. Regular payments of interest or principal due under the Note shall not apply toward any Release Price.

EXHIBIT A TO SCHEDULE 7

Fremont Tech Center

Schedule of Estimated Release Prices

Total Square Feet 135,952

Total Project Cost \$31,979,534

Phase I Loan Amount \$28,100,000

Building	Unit	Size	% Total	Estimated Cost	Loan Par	Release Price 115%	Sale Price Per SF	Estimated Sale Price	Proceeds to Borrower
Building A	A1	3,118	2.29%	\$732,968	\$644,048	\$740,855	\$325	\$1,012,700	\$272,045
Building A	A2	2,780	2.04%	\$653,930	\$574,600	\$660,790	\$325	\$903,500	\$242,710
Building A	A3	2,749	2.02%	\$646,838	\$568,192	\$653,421	\$325	\$893,425	\$240,004
Building A	A4	2,921	2.15%	\$687,097	\$603,743	\$694,305	\$325	\$949,325	\$255,020
Building A	A5	2,841	2.09%	\$668,279	\$587,208	\$675,289	\$325	\$923,325	\$248,038
Building A	A6	2,976	2.19%	\$700,035	\$615,111	\$707,378	\$325	\$967,200	\$259,822
Building A	A7	2,718	2.00%	\$639,348	\$561,785	\$646,053	\$325	\$883,350	\$237,297
Building A	A8	2,987	2.20%	\$702,622	\$617,385	\$709,993	\$325	\$970,775	\$260,782
Building A	A9	2,924	2.15%	\$687,803	\$604,383	\$695,018	\$325	\$950,300	\$255,282
Building A	A10	2,939	2.16%	\$691,331	\$607,464	\$698,583	\$325	\$955,175	\$256,592
Building A	A11	3,117	2.29%	\$733,201	\$644,255	\$740,893	\$325	\$1,013,025	\$272,132
Building B	B1	3,118	2.29%	\$732,968	\$644,048	\$740,855	\$325	\$1,012,700	\$272,045
Building B	B2	2,780	2.04%	\$653,930	\$574,600	\$660,790	\$325	\$903,500	\$242,710
Building B	B3	2,749	2.02%	\$646,838	\$568,192	\$653,421	\$325	\$893,425	\$240,004
Building B	B4	2,921	2.15%	\$687,097	\$603,743	\$694,305	\$325	\$949,325	\$255,020
Building B	B5	2,841	2.09%	\$668,279	\$587,208	\$675,289	\$325	\$923,325	\$248,038
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Building B	B8	2,987	2.20%	\$702,622	\$617,385	\$709,993	\$325	\$970,775	\$260,782
Building B	B9	2,924	2.15%	\$687,803	\$604,383	\$695,018	\$325	\$950,300	\$255,282
Building B	B10	2,939	2.16%	\$691,331	\$607,464	\$698,583	\$325	\$955,175	\$256,592
Building B	B11	3,117	2.29%	\$733,201	\$644,255	\$740,893	\$325	\$1,013,025	\$272,132
Building C	C1	3,881	2.71%	\$865,869	\$760,828	\$874,952	\$325	\$1,198,325	\$321,373
Building C	C2	3,001	2.21%	\$705,915	\$620,278	\$713,320	\$325	\$975,325	\$262,005
Building C	C3	2,420	1.78%	\$569,249	\$500,191	\$575,220	\$325	\$786,500	\$211,280
Building C	C4	2,831	2.08%	\$665,927	\$585,141	\$672,912	\$325	\$920,075	\$247,163
Building D		7,475	5.50%	\$1,758,319	\$1,545,012	\$1,776,764	\$240	\$1,794,000	\$17,236
Building E		7,475	5.50%	\$1,758,319	\$1,545,012	\$1,776,764	\$240	\$1,794,000	\$17,236
Building F		5,072	3.73%	\$1,193,070	\$1,048,335	\$1,205,585	\$250	\$1,268,000	\$62,415
Building G		8,745	6.43%	\$2,057,057	\$1,807,509	\$2,078,636	\$220	\$1,923,900	(\$154,736)
Building H		5,956	4.38%	\$1,401,010	\$1,231,049	\$1,415,707	\$280	\$1,667,680	\$251,973
Building J		12,580	9.25%	\$2,959,151	\$2,600,168	\$2,990,193	\$210	\$2,641,800	(\$348,393)
Building K		12,580	9.25%	\$2,959,151	\$2,600,168	\$2,990,193	\$210	\$2,641,800	(\$348,393)
Total		135,952		\$31,979,534	\$28,100,000	\$32,315,000		\$38,453,605	\$6,138,605

ATTACHMENT 2

PROMISSORY NOTE
(Fremont Tech Center, CA)

\$31,165,000.00

May 29, 2007

FOR VALUE RECEIVED, O.W. COMMERCIAL, INC., a Delaware corporation ("Borrower"), hereby promises to pay to the order of BANK OF AMERICA, N.A., a national banking association (together with any and all of its successors, participants and assigns and/or any other holder of this Note, "Lender"), without offset, in immediately available funds in lawful money of the United States of America, at Commercial Real Estate Banking Group, AZ1-200-22-17, 201 East Washington Street, 22nd Floor, Phoenix, Arizona 85004-2343, Attention: N. Alonzo, the principal sum of THIRTY ONE MILLION ONE HUNDRED SIXTY-FIVE AND NO/100 DOLLARS (\$31,165,000.00)(or the unpaid balance of all principal advanced against this Note, if that amount is less), together with interest on the unpaid principal balance of this Note from day to day outstanding as hereinafter provided.

Section 1. Payment Schedule and Maturity Date. Prior to maturity, accrued and unpaid interest shall be due and payable in arrears on the first day of each month commencing on July 1, 2007. The entire principal balance of this Note then unpaid, together with all accrued and unpaid interest and all other amounts payable hereunder and under the other Loan Documents (as hereinafter defined), shall be due and payable in full on June 1, 2009 (the "Maturity Date"), the final maturity of this Note.

Section 1A Extension Option. Lender shall grant a request by Borrower to extend the Maturity Date of this Note to December 1, 2009 (the "First Extended Maturity Date") and subsequently to June 1, 2010 (the "Second Extended Maturity Date"; the First Extended Maturity Date and the Second Extended Maturity Date may each be hereafter referred to as an "Extended Maturity Date"), upon and subject to the following terms and conditions in each case:

Section 1A.1 Basic Conditions. Unless otherwise agreed by Lender in writing:

(a) Borrower shall request the extension, if at all, by written notice to Lender not less than sixty (60) days prior to the Maturity Date.

(b) At the time of the request, substantial construction of the Improvements (as defined in the Loan Agreement) shall have been completed in accordance with the requirements of the Loan Documents, a temporary certificate of occupancy or its equivalent shall have been issued by the City of Fremont, California as to all the Improvements, and all conditions to the final disbursement shall have been satisfied.

(c) At the time of the request, and at the time of the extension, there shall not exist any Event of Default, nor any condition or state of facts which after notice and/or lapse of time would constitute an Event of Default.

(d) If required by Lender, current financial statements regarding Guarantor (dated not earlier than thirty (30) days prior to the most recent quarter) and all other financial statements and other information as may be required under the Loan Documents regarding Guarantor, and the Property, shall have been submitted promptly to Lender, and there shall not have occurred, in the opinion of Lender, any material adverse change in the business or financial condition of Guarantor or any tenant of the Property, or in the Property or in any other state of facts submitted to Lender in connection with the Loan Documents, from that which existed on the date of this Note.

(e) Whether or not the extension becomes effective, Borrower shall pay all out-of-pocket costs and expenses incurred by Lender in connection with the proposed extension (pre- and post-closing), including appraisal fees, environmental audit and reasonable attorneys' fees actually incurred by Lender; all such costs and expenses incurred up to the time of Lender's written agreement to the extension shall be due and payable prior to Lender's execution of that agreement (or if the proposed extension does not become effective, then upon demand by Lender), and any future failure to pay such amounts shall constitute a default under the Loan Documents.

(f) All applicable regulatory requirements, including appraisal requirements, shall have been satisfied with respect to the extension.

(g) Not later than the Maturity Date, (A) the extension shall have been consented to and documented to Lender's satisfaction by Borrower, Lender, and all other parties deemed necessary by Lender (such as any permitted subordinate lienholders, tenants of the Property and permanent lenders (if any)); (B) Lender shall have been provided with an updated title report and judgment and lien searches, and appropriate title insurance endorsements shall have been issued as required by Lender; and (C) Borrower shall have paid to Lender a non-refundable extension fee an amount equal to one-quarter of one percent (0.25%) of the then outstanding principal balance hereunder.

(h) The Net Commitment Amount (as hereinafter defined) may not exceed an amount (the "Loan to Value Amount") equal to the sum of (i) the lesser of ninety-two percent (92.0%) of the "Bulk Value upon Completion" of the Phase I Property and eighty percent (80.0%) of the "Aggregate Retail Value" of the Phase I Property, and (ii) seventy percent (70.0%) of the "As Is" land value of the Phase II Property, based on an appraisal meeting all applicable regulatory requirements, taking into account current market conditions, including vacancy factors, estimated date of stabilization, discount rates, and rental rates and concessions, as determined by Lender in its reasonable discretion. Lender may determine the Loan to Value Amount of the Property based on a current appraisal or the original appraisal obtained in connection with the origination of the Loan, as Lender in its reasonable discretion may elect. Any appraisal used to determine the Loan to Value Amount of the Property shall meet all applicable regulatory requirements, shall be satisfactory to Lender in all respects, and shall be obtained

at the sole cost and expense of Borrower. As used herein, "Net Commitment Amount" means, as of any date, the total obtained by adding the amount of the outstanding principal amount of the Loan to the amount of the undisbursed Loan proceeds. In the event this Loan to Value Amount is not met, Borrower may satisfy this Loan to Value Amount prior to the extension date by either (A) making a principal curtailment on this Note in an amount sufficient to bring this Loan to Value Amount into compliance and/or (B) providing additional collateral acceptable to Lender, which shall have value (as determined by Lender) which when added to the Property value is sufficient to satisfy this Loan to Value Amount.

(i) At the time of such extension, at least fifty percent (50.0%) of the Improvements shall have been sold and closed on.

If all of the foregoing conditions are not satisfied strictly in accordance with their terms, the extension shall not be or become effective, unless otherwise waived by Lender.

Section 2. Security; Loan Documents. The security for this Note includes a Deed of Trust, Assignment, Security Agreement and Fixture Filing (as the same may from time to time be amended, restated, modified or supplemented, the "Deed of Trust") of even date herewith from Borrower to Lender, conveying and encumbering certain real and personal property more particularly described therein (the "Property"). This Note, the Deed of Trust, the Construction Loan Agreement between Borrower and Lender of even date herewith (as the same may from time to time be amended, restated, modified or supplemented, the "Loan Agreement") and all other documents now or hereafter securing, guaranteeing or executed in connection with the loan evidenced by this Note (the "Loan"), as the same may from time to time be amended, restated, modified or supplemented, are herein sometimes called individually a "Loan Document" and together the "Loan Documents." Notwithstanding the foregoing, the Environmental Agreement is not a Loan Document.

Section 3. Interest Rate.

Section 3.1 Interest Rates. The Principal Debt from day to day outstanding which is not past due shall bear interest at a rate per annum equal to the following (computed as provided in Section 3.4 hereof) as applicable:

- (a) On Base Rate Principal, on any day, the Base Rate; and
- (b) On LIBOR Rate Principal, for the applicable Interest Period, the applicable LIBOR Rate.

Section 3.2 Interest Rate Elections.

(a) Subject to the conditions and limitations in this Note, Borrower may by notice to Lender (a "Rate Election Notice"):

(i) Elect, for a new advance of funds, that such Principal Debt will be Base Rate Principal, LIBOR Rate Principal or a combination thereof;

(ii) Elect to convert, on a LIBOR Business Day, all or part of Base Rate Principal into LIBOR Rate Principal;

(iii) Elect to convert, on the last day of the Interest Period applicable thereto, all or part of any LIBOR Rate Principal into Base Rate Principal; or

(iv) Elect to continue, commencing on the last day of the Interest Period applicable thereto, any LIBOR Rate Principal.

If, for any reason, an effective election is not made in accordance with the terms and conditions of this Note for any principal advance or for any LIBOR Rate Principal for which the corresponding Interest Period is expiring, or to convert Base Rate Principal to LIBOR Rate Principal, then the sums in question will be Base Rate Principal until an effective LIBOR Rate Election is thereafter made for such sums.

(b) Each Rate Election Notice must be in the form specified by Lender and received by Lender's Commercial Real Estate Banking Group Loan Administration office in the city in which this Note is payable by not later than 10:00 a.m. local time in the city in which this Note is payable on the applicable date as follows:

(i) With respect to an advance of or conversion to Base Rate Principal, one (1) Business Day prior to the proposed date of advance or conversion; and

(ii) With respect to an advance of, conversion to or continuation of LIBOR Rate Principal, three (3) LIBOR Business Days prior to the proposed date of advance, conversion or continuation.

Unless otherwise specified herein, no conversion from LIBOR Rate Principal may be made other than at the end of the corresponding Interest Period. Each Rate Election Notice shall stipulate: (A) the amount of the advance or of the Principal Debt to be converted or continued; (B) the nature of the proposed advance, conversion or continuation, which shall be either Base Rate Principal, LIBOR Rate Principal or a combination thereof, and in the case of a conversion or continuation, the nature of the Principal Debt to be converted or continued; and (C) in the case of LIBOR Rate Principal, the proposed commencement date and duration of the Interest Period. All such notices shall be irrevocable once given, and shall be deemed to have been given only when actually received by Lender in the form specified by Lender.

Section 3.3 General Conditions Precedent to LIBOR Rate Election. In addition to any other conditions herein, a LIBOR Rate Election shall not be permitted if:

- (a) An Event of Default has occurred and has not been waived by Lender or a Potential Default has occurred and is continuing; or
- (b) After giving effect to the requested LIBOR Rate Election, the sum of all LIBOR Rate Principal plus all Base Rate Principal would exceed the principal face amount of this Note; or
- (c) The requested LIBOR Rate Election would cause more than five (5) LIBOR Rate Elections by Borrower to be in effect at any one time; or
- (d) The amount of LIBOR Rate Principal requested in the LIBOR Rate Election is less than \$1,000,000.00; or
- (e) The requested interest period does not conform to the definition of Interest Period herein; or
- (f) Any of the circumstances referred to in Section 3.5 hereof shall apply with respect to the requested LIBOR Rate Election or the requested LIBOR Rate Principal.

Section 3.4 Computations and Determinations. All interest shall be computed on the basis of a year of 360 days and paid for the actual number of days elapsed (including the first day but excluding the last day). Lender shall determine each interest rate applicable to the Principal Debt in accordance with this Note and its determination thereof shall be conclusive in the absence of manifest error. The books and records of Lender shall be conclusive evidence, in the absence of manifest error, of all sums owing to Lender from time to time under this Note, but the failure to record any such information shall not limit or affect the obligations of Borrower under the Loan Documents.

Section 3.5 Unavailability of Rate. If, with respect to any LIBOR Rate Election, or any LIBOR Rate Principal outstanding hereunder, Lender determines that no adequate basis exists for determining the LIBOR Rate or that the LIBOR Rate will not adequately and fairly reflect the cost to Lender of funding or maintaining the applicable LIBOR Rate Principal for such Interest Period, or that any applicable Law, or any request or directive (whether or not having the force of law) of any Tribunal, or compliance therewith by Lender, prohibits or restricts or makes impossible the making or maintaining of such LIBOR Rate Election or LIBOR Rate Principal or the charging of interest on such LIBOR Rate Principal, and Lender so notifies Borrower, then until Lender notifies Borrower that the circumstances giving rise to such suspension no longer exist, (a) the obligation of Lender to permit such LIBOR Rate Election shall be suspended and (b) all existing affected LIBOR Rate Principal shall automatically become Base Rate Principal, either (i) on the last day of the corresponding Interest Period (if Lender determines that it may lawfully continue to fund and maintain the affected LIBOR Rate Principal to such day); or (ii) immediately (if Lender determines that it may not lawfully continue to fund and maintain the affected LIBOR Rate Principal to such day) and in

such case Borrower shall pay to Lender the Consequential Loss, if any, pursuant to Section 4 hereof.

Section 3.6 Increased Cost and Reduced Return. If at any time after the date hereof, Lender (which shall include, for purposes of this Section 3.6, any corporation controlling Lender) determines that the adoption or modification of any applicable Law regarding taxation, Lender's required levels of reserves, deposits, insurance or capital (including any allocation of capital requirements or conditions), or similar requirements, or any interpretation or administration thereof by any Tribunal or compliance by Lender with any of such requirements, has or would have the effect of (a) increasing Lender's costs related to the Indebtedness, or (b) reducing the yield or rate of return of Lender on the Indebtedness, to a level below that which Lender could have achieved but for the adoption or modification of any such requirements, Borrower shall, within fifteen (15) days of any request by Lender, pay to Lender such additional amounts as (in Lender's sole judgment, after good faith and reasonable computation) will compensate Lender for such increase in costs or reduction in yield or rate of return of Lender. No failure by Lender to immediately demand payment of any additional amounts payable hereunder shall constitute a waiver of Lender's right to demand payment of any such amounts at any subsequent time. Nothing herein contained shall be construed or shall so operate as to require Borrower to pay any interest, fees, costs or charges greater than is permitted by applicable Law.

Section 3.7 Past Due Rate. Any principal of, and to the extent permitted by applicable law, any interest on this Note, and any other sum payable hereunder, which is not paid within fifteen (15) days after it becomes due shall bear interest, from the date due and payable until paid, at a rate per annum (the "Past Due Rate") equal to the higher of (a) the Base Rate, or (b) the LIBOR Rate plus three percent (3%).

Section 3.8 Additional Defined Terms. In addition to other terms defined herein or in the Loan Agreement, as used herein the following terms shall have the meanings indicated, unless the context otherwise requires:

"Adjusted LIBOR Rate" means the quotient obtained by dividing (a) the applicable London Interbank Offered Rate by (b) 1.00 minus the LIBOR Reserve Percentage.

"Base Rate" means, on any day, a simple rate per annum equal to the sum of the Prime Rate for that day plus the Base Rate Margin. Without notice to Borrower or anyone else, the Base Rate shall automatically fluctuate upward and downward as and in the amount by which the Prime Rate fluctuates.

"Base Rate Margin" means zero percent (0%).

"Base Rate Principal" means, at any time, the Principal Debt minus the portion, if any, of such Principal Debt which is LIBOR Rate Principal.

"Indebtedness" means any and all of the indebtedness to Lender evidenced, governed or secured by or arising under this Note or any other Loan Document.

"Interest Period" means with respect to any LIBOR Rate Principal, the period commencing on the date such LIBOR Rate Principal is disbursed or on the date on which the Principal Debt or any portion thereof is converted into or continued as such LIBOR Rate Principal, and ending on the date one (1), two (2) or three (3) months thereafter, as elected by Borrower in the applicable Rate Election Notice; provided that:

(i) Each Interest Period must commence on a Business Day;

(ii) In the case of the continuation of LIBOR Rate Principal, the Interest Period applicable after the continuation of such LIBOR Rate Principal shall commence on the last day of the preceding Interest Period;

(iii) The last day for each Interest Period and the actual number of days during the Interest Period shall be determined by Lender using the practices of the London interbank market; and

(iv) No Interest Period shall extend beyond the Maturity Date, and any Interest Period which begins before the Maturity Date and would otherwise end after the Maturity Date shall instead end on the Maturity Date.

"Laws" means all constitutions, treaties, statutes, laws, ordinances, regulations, rules, orders, writs, injunctions, or decrees of the United States of America, any state or commonwealth, any municipality, any foreign country, any territory or possession, or any Tribunal.

"LIBOR Business Day" means a Business Day which is also a London Banking Day.

"LIBOR Margin" means two hundred basis points (2.00%).

"LIBOR Rate" means for any applicable Interest Period for any LIBOR Rate Principal, a simple rate per annum equal to the sum of the LIBOR Margin plus the Adjusted LIBOR Rate.

"LIBOR Rate Election" means an election by Borrower of an applicable LIBOR Rate in accordance with this Note.

"LIBOR Rate Principal" means any portion of the Principal Debt which bears interest at an applicable LIBOR Rate at the time in question.

"LIBOR Reserve Percentage" means, with respect to any applicable Interest Period, for any day that percentage (expressed as a decimal) which is in effect on such day, as prescribed by the Board of Governors of the Federal

Reserve System (or any successor) for determining the maximum reserve requirement (including basic, supplemental, emergency, special and marginal reserves) generally applicable to financial institutions regulated by the Federal Reserve Board comparable in size and type to Lender, in respect of "Eurocurrency liabilities" (or in respect of any other category of liabilities which includes deposits by reference to which the interest rate on LIBOR Rate Principal is determined), whether or not Lender has any Eurocurrency liabilities or such requirement otherwise in fact applies to Lender. The LIBOR Rate shall be adjusted automatically as of the effective date of each change in the LIBOR Reserve Percentage.

"London Banking Day" means a day on which banks in London are open for business and dealing in offshore dollars.

"London Interbank Offered Rate" means, with respect to any applicable Interest Period, the rate per annum equal to the British Bankers Association LIBOR Rate ("BBA LIBOR"), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as selected by Lender from time to time) at approximately 11:00 a.m. London time two (2) London Banking Days before the commencement of the Interest Period, for deposits in U.S. Dollars (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If such rate is not available at such time for any reason, then the rate for that Interest Period will be determined by such alternate method as reasonably selected by Lender.

"Note" means this promissory note, and any renewals, extensions, amendments, restatements or supplements hereof.

"Potential Default" means any condition or event which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Prime Rate" means, on any day, the rate of interest per annum then most recently established by Lender as its "prime rate," it being understood and agreed that such rate is set by Lender as a general reference rate of interest, taking into account such factors as Lender may deem appropriate, that it is not necessarily the lowest or best rate actually charged to any customer or a favored rate, that it may not correspond with future increases or decreases in interest rates charged by other lenders or market rates in general, and that Lender may make various business or other loans at rates of interest having no relationship to such rate. If Lender (including any subsequent holder of this Note) ceases to exist or to establish or publish a prime rate from which the Prime Rate is then determined, the applicable variable rate from which the Prime Rate is determined thereafter shall be instead the prime rate reported in The Wall Street Journal (or the average prime rate if a high and a low prime rate are therein reported), and the Prime Rate shall change without notice with each change in such prime rate as of the date such change is reported.

"Principal Debt" means the aggregate unpaid principal balance of this Note at the time in question.

"Tribunal" means any state, commonwealth, federal, foreign, territorial or other court or governmental department, commission, board, bureau, district, authority, agency, central bank, or instrumentality, or any arbitration authority.

Section 4. Prepayment.

(a) Borrower may prepay the principal balance of this Note, in full at any time or in part from time to time, provided that: (i) no prepayment may be made which in Lender's judgment would contravene or prejudice funding under any applicable permanent loan commitment or tri-party agreement or the like; (ii) Lender shall have actually received from Borrower prior irrevocable written notice (the "Prepayment Notice") of Borrower's intent to prepay, the amount of principal which will be prepaid (the "Prepaid Principal"), and the date on which the prepayment will be made; (iii) each prepayment shall be in the amount of \$1,000.00 or a larger integral multiple of \$1,000.00 (unless the prepayment retires the outstanding balance of this Note in full); (iv) each prepayment shall be in the amount of 100% of the Prepaid Principal, plus accrued unpaid interest thereon to the date of prepayment, plus any other sums which have become due to Lender under the Loan Documents on or before the date of prepayment but have not been paid; and (v) no portion of LIBOR Rate Principal may be prepaid except on the last day of the Interest Period applicable thereto, unless (X) the prior written consent of Lender is obtained which consent, if given, shall provide, without limitation, the manner and order in which the prepayment is to be applied to the Indebtedness, and (Y) Borrower pays to Lender and Consequential Loss as a result thereof, in accordance with Section 4(b) below. If this Note is prepaid in full, any commitment of Lender for further advances shall automatically terminate.

(b) Within fifteen (15) days after receipt of written request by Lender (or at the time of any prepayment), Borrower shall pay to Lender such amount or amounts as will compensate Lender for any loss, cost, expense, penalty, claim or liability, including any loss incurred in obtaining, prepaying, liquidating or employing deposits or other funds from third parties and any loss of revenue, profit or yield, as determined by Lender on a present value basis in its judgment reasonably exercised (together, "Consequential Loss") incurred by Lender with respect to any LIBOR Rate, including any LIBOR Rate Election or LIBOR Rate Principal as a result of: (i) the failure of Borrower to make any payment on the date or in the amount specified in any Prepayment Notice from Borrower to Lender; (ii) the failure of Borrower to borrow, continue or convert into LIBOR Rate Principal on the date or in the amount specified in any Prepayment Notice given by Borrower to Lender; (iii) the early termination of any Interest Period for any reason; or (iv) the payment or prepayment of any amount on a date other than the date such amount is required or permitted to be paid or prepaid whether voluntarily or by reason of acceleration upon an Event of Default

or upon any transfer or conveyance of any right, title or interest in the Property giving Lender the right to accelerate the maturity of this Note as provided in the Deed of Trust.

(c) Notwithstanding the foregoing, the amount of the Consequential Loss shall never be less than zero or greater than is permitted by applicable Law. Lender shall provide a notice to Borrower setting forth Lender's determination of any Consequential Loss, which notice shall be conclusive and binding in the absence of manifest error. Lender reserves the right to provide interim calculations of such Consequential Loss in any notice of default or notice of sale for information purposes, but the exact amount of such Consequential Loss shall be calculated only upon the actual prepayment of LIBOR Rate Principal as described herein. The Consequential Loss shall be included in the total indebtedness secured by the Deed of Trust for all purposes, including in connection with a foreclosure sale. Lender may include the amount of the Consequential Loss in any credit bid Lender may make at a foreclosure sale. Lender shall have no obligation to purchase, sell and/or match funds in connection with the funding or maintaining of the Loan or any portion thereof. The obligations of Borrower under this Section shall survive any termination of the Loan Documents and payment of this Note and shall not be waived by any delay by Lender in seeking such compensation.

(d) By its signature below, Borrower waives any right under California Civil Code Section 2954.10 or otherwise to prepay the Loan, in whole or in part, without payment of any and all Consequential Loss as described above. Borrower acknowledges that prepayment of the Loan may result in Lender's incurring additional losses, costs, expenses and liabilities, including lost revenues and lost profits. Borrower therefore agrees to pay any and all Consequential Loss if any LIBOR Rate Principal is prepaid, whether voluntarily or by reason of acceleration, including acceleration upon any transfer or conveyance of any right, title or interest in the Property giving Lender the right to accelerate the maturity of this Note as provided in the Deed of Trust. Borrower agrees that Lender's willingness to offer the LIBOR Rate to Borrower is sufficient and independent consideration, given individual weight by Lender, for this waiver. Borrower understands that Lender would not offer the LIBOR Rate to Borrower absent this waiver.

O.W. COMMERCIAL, INC., a Delaware
corporation

By: _____
Name: _____
Title: _____

Section 5. Late Charges. If Borrower shall fail to make any payment under the terms of this Note (other than the payment due at maturity) within fifteen (15) days after receipt of notice after the date such payment is due, Borrower shall pay to Lender on demand a late charge equal to four percent (4%) of the amount of such payment. Such fifteen (15) day period shall not be construed as in any way extending the due date of any payment. The late charge is imposed for the purpose of defraying the expenses of Lender incident to handling such delinquent payment. This charge shall be in addition to, and not in lieu of, any other amount that Lender may be entitled to receive or action that Lender may be authorized to take as a result of such late payment.

Section 6. Certain Provisions Regarding Payments. All payments made as scheduled under this Note shall be applied, to the extent thereof, to late charges, to accrued but unpaid interest, to unpaid principal, and to any other sums due and unpaid to Lender under the Loan Documents, in such manner and order as Lender may elect in its sole discretion, any instructions from Borrower or anyone else to the contrary notwithstanding. Remittances shall be made without offset, demand, counterclaim, deduction, or recoupment (each of which is hereby waived) and shall be accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Lender of any payment in an amount less than the amount then due on any indebtedness shall be deemed an acceptance on account only, notwithstanding any notation on or accompanying such partial payment to the contrary, and shall not in any way (a) waive or excuse the existence of an Event of Default (as hereinafter defined), (b) waive, impair or extinguish any right or remedy available to Lender hereunder or under the other Loan Documents, or (c) waive the requirement of punctual payment and performance or constitute a novation in any respect. Payments received

after 2:00 p.m. shall be deemed to be received on, and shall be posted as of, the following Business Day. Whenever any payment under this Note or any other Loan Document falls due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day.

Section 7. Events of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Note:

(a) Borrower fails to pay when and as due and payable any amounts payable by Borrower to Lender under the terms of this Note and such failure is not cured within five (5) days of the date when due, regardless of how such amount may have become due.

(b) Any covenant, agreement, condition, representation or warranty herein or in any other Loan Document is not fully and timely performed, observed or kept subject to any applicable grace or cure periods.

(c) An Event of Default (as therein defined) occurs under any of the Loan Documents other than this Note, subject to any applicable grace or cure period.

Section 8. Remedies. Upon the occurrence of an Event of Default, Lender may at any time thereafter exercise any one or more of the following rights, powers and remedies:

(a) Lender may accelerate the Maturity Date and declare the unpaid principal balance and accrued but unpaid interest on this Note, and all other amounts payable hereunder and under the other Loan Documents, at once due and payable, and upon such declaration the same shall at once be due and payable.

(b) Lender may set off the amount due against any and all accounts, credits, money, securities or other property now or hereafter on deposit with, held by or in the possession of Lender to the credit or for the account of Borrower, without notice to or the consent of Borrower.

(c) Lender may exercise any of its other rights, powers and remedies under the Loan Documents or at law or in equity.

Section 9. Remedies Cumulative. All of the rights and remedies of Lender under this Note and the other Loan Documents are cumulative of each other and of any and all other rights at law or in equity, and the exercise by Lender of any one or more of such rights and remedies shall not preclude the simultaneous or later exercise by Lender of any or all such other rights and remedies. No single or partial exercise of any right or remedy shall exhaust it or preclude any other or further exercise thereof, and every right and remedy may be exercised at any time and from time to time. No failure by Lender to exercise, nor delay in exercising, any right or remedy shall operate as a waiver of such right or remedy or as a waiver of any Event of Default.

Section 10. Costs and Expenses of Enforcement. Borrower agrees to pay to Lender on demand all costs and expenses incurred by Lender in seeking to collect this Note or to enforce any of Lender's rights and remedies under the Loan Documents, including court costs and reasonable attorneys' fees and expenses, whether or not suit is filed hereon, or whether in connection with bankruptcy, insolvency or appeal.

Section 11. Service of Process. Borrower hereby consents to process being served in any suit, action, or proceeding instituted in connection with this Note by (a) the mailing of a copy thereof by certified mail, postage prepaid, return receipt requested, to Borrower and (b) serving a copy thereof upon Gallagher & Kennedy, P.A., the agent hereby designated and appointed by Borrower as Borrower's agent for service of process. Borrower irrevocably agrees that such service shall be deemed to be service of process upon Borrower in any such suit, action, or proceeding. Nothing in this Note shall affect the right of Lender to serve process in any manner otherwise permitted by law and nothing in this Note will limit the right of Lender otherwise to bring proceedings against Borrower in the courts of any jurisdiction or jurisdictions, subject to any provision or agreement for arbitration or dispute resolution set forth in the Loan Agreement.

Section 12. Heirs, Successors and Assigns. The terms of this Note and of the other Loan Documents shall bind and inure to the benefit of the successors and assigns of the parties. The foregoing sentence shall not be construed to permit Borrower to assign the Loan except as otherwise permitted under the Loan Documents.

Section 13. General Provisions. Time is of the essence with respect to Borrower's obligations under this Note. If more than one person or entity executes this Note as Borrower, all of said parties shall be jointly and severally liable for payment of the indebtedness evidenced hereby. Borrower and each party executing this Note as Borrower hereby severally (a) waive demand, presentment for payment, notice of dishonor and of nonpayment, protest, notice of protest, notice of intent to accelerate, notice of acceleration and all other notices (except any notices which are specifically required by this Note or any other Loan Document), filing of suit and diligence in collecting this Note or enforcing any of the security herefor; (b) agree to any substitution, subordination, exchange or release of any such security or the release of any party primarily or secondarily liable hereon; (c) agree that Lender shall not be required first to institute suit or exhaust its remedies hereon against Borrower or others liable or to become liable hereon or to perfect or enforce its rights against them or any security herefor; (d) consent to any extensions or postponements of time of payment of this Note for any period or periods of time and to any partial payments, before or after maturity, and to any other indulgences with respect hereto, without notice thereof to any of them; and (e) submit (and waive all rights to object) to non-exclusive personal jurisdiction of any state or federal court sitting in the State of Arizona for the enforcement of any and all obligations under this Note and the other Loan Documents; (f) waive, to the full extent permitted by Law, the benefit of all homestead and similar exemptions as to this Note; (g) agree that their liability under this Note shall not be affected or impaired by any determination that any title, security interest or lien taken by Lender to secure this Note is invalid or unperfected; and (h) hereby subordinate to the Loan and the Loan Documents any and all rights against Borrower and any security for the payment of this Note, whether by subrogation, agreement or otherwise, until this Note is paid in full. A determination that any provision of this Note is unenforceable or invalid shall not affect the enforceability or validity of

any other provision and the determination that the application of any provision of this Note to any person or circumstance is illegal or unenforceable shall not affect the enforceability or validity of such provision as it may apply to other persons or circumstances. This Note may not be amended except in a writing specifically intended for such purpose and executed by the party against whom enforcement of the amendment is sought. Captions and headings in this Note are for convenience only and shall be disregarded in construing it. This Note and its validity, enforcement and interpretation shall be governed by the laws of the State of Arizona (without regard to any principles of conflicts of laws) and applicable United States federal law. Whenever a time of day is referred to herein, unless otherwise specified such time shall be the local time of the place where payment of this Note is to be made. The term "Business Day" shall mean a day on which Lender is open for the conduct of substantially all of its banking business at its office in the city in which this Note is payable (excluding Saturdays and Sundays). Capitalized terms used herein without definition shall have the meanings ascribed to such terms in the Loan Agreement. The words "include" and "including" shall be interpreted as if followed by the words "without limitation."

Section 14. Notices. Any notice, request, or demand to or upon Borrower or Lender shall be deemed to have been properly given or made when delivered in accordance with the terms of the Loan Agreement regarding notices. This Section 14 notwithstanding, the giving of a Rate Election Notice by Borrower pursuant to Section 3.2 above shall be in the form specified by Lender from time to time and shall not be effective until actually received.

Section 15. No Usury. It is expressly stipulated and agreed to be the intent of Borrower and Lender at all times to comply with applicable state law or applicable United States federal law (to the extent that it permits Lender to contract for, charge, take, reserve, or receive a greater amount of interest than under state law) and that this Section shall control every other covenant and agreement in this Note and the other Loan Documents. All interest, fees, charges, reimbursable costs and expenses, and other things of value, including the value of any deposit accounts, which Borrower is required to pay or provide or reimburse or maintain to or for the benefit or account of Lender pursuant to any of the Loan Documents and Arizona Revised Statutes which constitute interest under Section 44-1201, *et seq.*, or any other applicable law constitute items of interest and are included in the rates of interest which Borrower hereby consents to and agrees and contracts in writing to pay to Lender. If applicable state or federal law should at any time be judicially interpreted so as to render usurious any amount called for under this Note or under any of the other Loan Documents, or contracted for, charged, taken, reserved, or received with respect to the Loan, or if Lender's exercise of the option to accelerate the Maturity Date, or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by applicable law, then it is Lender's express intent that all excess amounts theretofore collected by Lender shall be credited on the principal balance of this Note and all other indebtedness secured by the Deed of Trust, and the provisions of this Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new documents, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder or thereunder. All sums paid or agreed to be paid to Lender for the use or forbearance of the Loan shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term of the Loan.

The address of Borrower is:

2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267

Attn: Senior Vice President, Real Estate Finance and Sales

with a copy to:

2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267

Attn: Legal Department

with a copy to:

Luce, Forward, Hamilton & Scripps LLP
600 West Broadway,
Suite 2600

San Diego, California 92101

Attn: David M. Hymer, Esq.

Telephone: (619) 699-2518

Fax: (619) 645-5334

Lender's Address for Notices:

Commercial Real Estate Banking Group: AZ1-200-22-17

201 East Washington Street, 22nd Floor

Phoenix, Arizona 85004-2343

Attn: N. Alonzo

THE LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT
BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF
PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE
PARTIES.

THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

Borrower has duly executed this Note as of the date first above written.

BORROWER:

O.W. COMMERCIAL, INC., a Delaware
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Vice President
[Sign Section 4(c)]

ATTACHMENT 3

BANK OF AMERICA

201 East Washington Street, 22nd Floor
AZ1-200-22-17
Phoenix, Arizona 85004-2343

March 21, 2008

Opus West Corporation
Opus West LP
O.W. Commercial, Inc.
PC 101, Inc.
Shoppes at Chino Hills, Inc.
Broadstone Cypress, L.P.
Hill Country Apartments, L.P.
Arch Road Limited Partnership
Broadstone Walker Commons, L.P.
Irvine Center Partners III, L.L.C.
Hill Country Galleria, L.P.
Broadstone Galleria, L.P.
2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attention: Senior Vice President, Real Estate
Finance and Sales

Re: BANK OF AMERICA, N.A., a national banking association, on behalf of itself and as agent for other Lenders ("Lender"), loans to OPUS WEST CORPORATION, a Minnesota corporation ("OPUS"), and various affiliates

Ladies/Gentlemen:

Lender has entered into and hereby modifies the following loan agreements, guaranty agreements, promissory notes, and certificates of representations, warranties, and covenants with OPUS and various affiliates for assorted financings (collectively, the "Loans"):

- (i) a Loan Agreement by and between Lender and OPUS, as borrower, dated July 28, 2003 (as amended from time to time, the "Opus RLC Agreement");
- (ii) a Construction Loan Agreement by and between Lender and OPUS, as borrower, dated March 13, 2007 (as amended from time to time, the "Commons at Chino Hills Construction Agreement");
- (iii) a Construction Loan Agreement by and between Lender and OPUS and O.W. COMMERCIAL, INC., a Delaware corporation, jointly and severally,

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March 21, 2008
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as borrower, dated August 31, 2007 (as amended from time to time, the "Camarillo Ranch Agreement");

(iv) a Construction Loan Agreement by and between Lender and OPUS WEST LP, a Delaware limited partnership, as borrower, dated November 7, 2005 (as amended from time to time, the "Highland Village Condos Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated November 7, 2005 (as amended from time to time, the "Highland Village Condos Guaranty");

(v) a Construction Loan Agreement by and between Lender and OPUS WEST LP, a Delaware limited partnership, as borrower, dated November 10, 2006 (as amended from time to time, the "Fort Bend Crossing Agreement") and OPUS as guarantor pursuant to a Guaranty Agreement dated November, 2006 (as amended from time to time, the "Fort Bend Crossing Guaranty");

(vi) a Construction Loan Agreement by and between Lender and SHOPPES AT CHINO HILLS, INC., a Minnesota corporation, as borrower, dated May 16, 2007 (as amended from time to time, the "Shoppes at Chino Hills Agreement") and OPUS as guarantor pursuant to a Guaranty Agreement dated May 16, 2007 (as amended from time to time, the "Shoppes at Chino Hills Guaranty");

(vii) a Construction Loan Agreement by and between Lender and O.W. COMMERCIAL, INC., a Delaware corporation, as borrower, dated May 29, 2007 (as amended from time to time, the "Freemont Tech Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated May 29, 2007 (as amended from time to time, the "Freemont Tech Guaranty");

(viii) a Construction Loan Agreement by and between Lender and PC 101, INC., a Delaware corporation, as borrower, dated May 31, 2005 (as amended from time to time, the "Pima Center Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated May 31, 2005 (as amended from time to time, the "Pima Center Guaranty");

(ix) a Construction Loan Agreement by and between Lender and PC 101, INC., a Delaware corporation, as borrower, dated December 6, 2007 (as amended from time to time, the "Pima Center III-C Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated December 6, 2007 (as amended from time to time, the "Pima Center III-C Guaranty");

(x) a Construction Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and BROADSTONE CYPRESS, L.P., a Delaware limited partnership, as borrower, dated August 31, 2007 (as amended from time to time,

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the "Cypress Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated August 31, 2007 (as amended from time to time, the "Cypress Guaranty");

(xi) a Construction Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and HILL COUNTRY APARTMENTS, L.P., a Delaware limited partnership, as borrower, dated March 1, 2007 (as amended from time to time, the "Hill Country Apartments Construction Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated March 1, 2007 (as amended from time to time, the "Hill Country Apartments Construction Guaranty");

(xii) a Promissory Note by HILL COUNTRY APARTMENTS, L.P., a Delaware limited partnership, payable to the order of Lender, as successor by merger to LaSalle Bank National Association, a national banking association, dated March 1, 2007 (as amended from time to time, the "Hill Country Apartments Land Note") and OPUS as a guarantor pursuant to a Guaranty Agreement dated March 1, 2007 (as amended from time to time, the "Hill Country Apartments Land Guaranty");

(xiii) a Construction Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and ARCH ROAD LIMITED PARTNERSHIP, a Delaware limited partnership, as borrower, dated October 4, 2007 (as amended from time to time, the "Arch Road Construction Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated October 4, 2007 (as amended from time to time, the "Arch Road Construction Guaranty");

(xiv) a Promissory Note by OPUS, payable to the order of Lender, as successor by merger to LaSalle Bank National Association, a national banking association, dated January 4, 2007 (as amended from time to time, the "Westlake Village Note") and a Certificate of Representations, Warranties and Covenants executed by OPUS, dated January 4, 2007 (as amended from time to time, the "Westlake Village Certificate");

(xv) a Construction Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and OPUS, as borrower, dated September 27, 2007 (as amended from time to time, the "Scripps Ranch Construction Agreement");

(xvi) a Promissory Note by OPUS, payable to the order of Lender, as successor by merger to LaSalle Bank National Association, a national banking association, dated July 5, 2006 (as amended from time to time, the "Stanford Ranch Note") and a Certificate of Representations, Warranties and Covenants

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executed by OPUS dated July 5, 2006 (as amended from time to time, the "Stanford Ranch Certificate");

(xvii) a Construction Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and BROADSTONE WALKER COMMONS, L.P., a Delaware limited partnership, as borrower, dated August 31, 2007 (as amended from time to time, the "Walker Commons Construction Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated August 31, 2007 (as amended from time to time, the "Walker Commons Construction Guaranty");

(xviii) an Amended and Restated Construction Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and IRVINE CENTER PARTNERS III, L.L.C., a Delaware limited liability company, as borrower, dated October 31, 2006 (as amended from time to time, the "Irvine Center Construction Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated October 11, 2006 (as amended from time to time, the "Irvine Center Construction Guaranty");

(xix) a Construction Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and HILL COUNTRY GALLERIA, L.P., a Delaware limited partnership, as borrower, dated July 27, 2006 (as amended from time to time, the "Hill Country Galleria Construction Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated July 27, 2006 (as amended from time to time, the "Hill Country Galleria Construction Guaranty");

(xx) a Construction Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and BROADSTONE GALLERIA, L.P., a Delaware limited partnership, as borrower, dated July 30, 2006 (as amended from time to time, the "Broadstone Galleria Construction Agreement") and OPUS as a guarantor pursuant to a Guaranty Agreement dated June 30, 2006 (as amended from time to time, the "Broadstone Galleria Construction Guaranty"); and

(xvi) a Loan Agreement by and between Lender, as successor by merger to LaSalle Bank National Association, a national banking association, and OPUS, as borrower, dated May 29, 2003 (as amended from time to time, the "Opus May RLC Agreement").

The documents evidencing, securing, guaranteeing or executed and delivered in connection with the Loans, including, without limitation, the Loan Agreements executed in connection with the Loans (collectively, as amended from time to time, the "Loan Agreements"), the Guaranties executed in connection with the Loans (collectively, as amended from time to

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time, the "Guaranties"), and the Certificates of Representations, Warranties, and Covenants executed in connection with the Loans (collectively, as amended from time to time, the "Certificates") are herein called the "Loan Documents".

The Loan Agreements, Guaranties, and Certificates are hereby amended as follows:

1. Sections 2.18, 2.19 and 2.20 of the Opus RLC Agreement are hereby amended in their entirety to read as follows:

2.18 Minimum Liquidity. Borrower shall maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00).

2.19 Tangible Net Worth plus Subordinated Debt. Borrower shall maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

"Tangible Net Worth" means the gross book value of Borrower's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles), plus debt subordinated to the Lenders (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Administrative Agent (using Administrative Agent's standard form) less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets.

2.20 Total Liabilities to Tangible Net Worth Ratio. Borrower shall maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter.

"Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

2. Sections 3.21, 3.22 and 3.23 of the Commons at Chino Hills Construction Agreement are hereby amended in their entirety to read as follows:

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3.21 Minimum Liquidity. Borrower shall maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities of not less than Three Million And No/100 Dollars (\$3,000,000.00).

3.22 Tangible Net Worth plus Subordinated Debt. Borrower shall maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

3.23 Total Liabilities to Tangible Net Worth Ratio. Borrower shall maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter.

3. Sections 4.27, 4.28 and 4.29 of the Camarillo Ranch Agreement are hereby amended in their entirety to read as follows:

Section 4.27 Minimum Liquidity. Opus shall maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00).

Section 4.28 Tangible Net Worth plus Subordinated Debt. Opus shall maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

"Tangible Net Worth" means the gross book value of Opus' assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles), plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars (\$30,000,000.00)) in a manner acceptable to Lender (using Lender's standard form) less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets.

Section 4.29 Total Liabilities to Tangible Net Worth Ratio. Opus shall maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter.

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"Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

4. Sections 2.19, 2.20, and 2.21 of the Highland Village Condos Agreement and Fort Bend Crossing Agreement are hereby amended in their entirety to read as follows:

2.19 Minimum Liquidity. Borrower shall cause Guarantor to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00).

2.20 Tangible Net Worth plus Subordinated Debt. Borrower shall cause Guarantor to maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and one Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

"Tangible Net Worth" means the gross book value of Guarantor's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles), plus debt subordinated to the Loan (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Administrative Agent (using Lender's standard form) less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets.

2.21 Total Liabilities to Tangible Net Worth Ratio. Borrower shall cause Guarantor to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008 and 5.0 to 1.0 thereafter.

"Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

5. Sections 4.27, 4.28 and 4.29 of the Freemont Tech Agreement, the Pima Center Agreement and the Pima Center III-C Agreement are hereby amended in their entirety to read as follows:

Opus West Corporation
March 21, 2008
Page 8

Section 4.27 Minimum Liquidity. Borrower shall cause Guarantor to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00).

Section 4.28 Tangible Net Worth plus Subordinated Debt. Borrower shall cause Guarantor to maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

"Tangible Net Worth" means the gross book value of Guarantor's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles), plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form) less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets.

Section 4.29 Total Liabilities to Tangible Net Worth Ratio. Borrower shall cause Guarantor to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter.

"Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

6. Sections 14(b)(i), (ii), and (iii) of the Highland Village Condos Guaranty, the Fort Bend Crossing Guaranty, the Pima Center Guaranty and the Pima Center III-C Guaranty are hereby amended in their entirety to read as follows:

(b) Guarantor hereby agrees as follows:

(i) to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00);

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March 21, 2008
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(ii) to maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter. "Tangible Net Worth" means the gross book value of the assets of Guarantor (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And no/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form); less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets; and

(iii) to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter. "Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

7. Section 13(B) of the Shoppes at Chino Hills Guaranty and the Fremont Tech Guaranty are hereby amended in their entirety to read as follows:

B. Guarantor hereby agrees as follows:

(i) to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00);

(ii) to maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter. "Tangible Net Worth" means the gross book value of the assets of Guarantor (excluding goodwill, patents, trademarks, trade names,

Opus West Corporation
March 21, 2008
Page 10

organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And no/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets; and

(iii) to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter. "Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

8. Section 22(a) of the Cypress Guaranty, the Hill Country Apartments Construction Guaranty, the Arch Road Construction Guaranty, and the Walker Commons Construction Guaranty are hereby amended in their entirety to read as follows:

(a) Guarantor hereby agrees as follows (the following covenants are collectively called the "Financial Covenants"):

(i) to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of net less than Three Million And No/100 Dollars (\$3,000,000.00);

(ii) to maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter. "Tangible Net Worth" means the gross book value of the assets of Guarantor (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And no/100 Dollars [\$30,000,000.00]) in a manner acceptable to

Opus West Corporation
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Page 11

Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets; and

(iii) to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter. "Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

9. Section 17(a) of the Westlake Village Certificate and the Stanford Ranch Certificate are hereby amended in their entirety to read as follows:

(a) Borrower hereby agrees as follows (the following covenants are collectively called the "Financial Covenants"):

(i) to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00);

(ii) to maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million AND No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter. "Tangible Net Worth" means the gross book value of the assets of Borrower (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets; and

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(iii) to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter. "Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

10. Section 23(a) of the Hill Country Galleria Construction Guaranty and the Irvine Center Construction Guaranty are hereby amended in their entirety to read as follows:

(a) Guarantor hereby agrees as follows (the following covenants are collectively called the "Financial Covenants"):

(i) to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00);

(ii) to maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter. "Tangible Net Worth" means the gross book value of the assets of Guarantor (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And no/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets; and

(iii) to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter. "Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender

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(limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

11. Section 23(a) of the Hill Country Apartments Land Guaranty is hereby amended in its entirety to read as follows:

(a) Guarantor hereby agrees as follows (the following covenants are collectively called the "Financial Covenants"):

(i) to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00);

(ii) to maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million And No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter. "Tangible Net Worth" means the gross book value of the assets of Guarantor (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And no/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets; and

(iii) to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter. "Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

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(iv) to furnish to Lender certified annual financial statements within one hundred twenty (120) days after the close of each fiscal year; and

(v) to furnish to Lender certified quarterly financial statements, including compliance certificates, within sixty (60) days of each fiscal quarter and fiscal year end.

12. The following definitions are hereby added to Section 1.1 of the Scripps Ranch Construction Agreement:

"Tangible Net Worth" means the gross book value of Borrower's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets.

"Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

13. Sections 8.14(a), (b), (c), (d), and (e) of the Scripps Ranch Construction Agreement are hereby amended in their entirety to read as follows:

(a) Borrower shall maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00).

(b) Borrower shall maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million AND No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

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(c) Borrower shall maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter.

14. The following definitions are hereby added to Section 1.1 of the Irvine Center Construction Agreement:

"Tangible Net Worth" means the gross book value of Guarantor's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets.

"Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

15. Sections 8.14(i), (ii), (iii), and (iv) of the Irvine Center Construction Agreement are hereby amended in their entirety to read as follows:

(i) Guarantor shall maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00).

(ii) Guarantor shall maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million AND No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

(iii) Guarantor shall maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter.

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16. The following definitions are hereby added to Section 1.1 of the Broadstone Galleria Construction Agreement:

"Tangible Net Worth" means the gross book value of Opus West's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets.

"Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

17. Sections 8.13, 8.14, and 8.15 of the Broadstone Galleria Construction Agreement are hereby amended in their entirety to read as follows:

8.13 Opus West shall maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00).

8.14 Opus West shall maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million AND No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

8.15 Opus West shall maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter.

Opus West Corporation
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18. Section 8.16 of the Broadstone Galleria Construction Agreement is hereby deleted in its entirety.

19. The following definitions are hereby added to Section 1.1 of the Opus May RLC Agreement:

"Tangible Net Worth" means the gross book value of Borrower's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles) plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form), less total liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets.

"Total Liabilities" means in accordance with GAAP the sum of current liabilities plus long-term liabilities plus consolidated joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

20. Sections 5.4(b), (c), and (d) of the Opus May RLC Agreement are hereby amended in their entirety to read as follows:

(b) Borrower shall maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Three Million And No/100 Dollars (\$3,000,000.00).

(c) Borrower shall maintain at the end of each fiscal quarter on a consolidated basis Tangible Net Worth plus subordinated debt equal to at least One Hundred Twenty-Five Million AND No/100 Dollars (\$125,000,000.00) for fiscal year 2008 and One Hundred Million And No/100 Dollars (\$100,000,000.00) thereafter.

(d) Borrower shall maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2008, and 5.0 to 1.0 thereafter.

Opus West Corporation
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21. Section 5.4(f) of the Opus May RLC Agreement is hereby deleted in its entirety.

Each of the Loan Documents, to the extent applicable, is hereby modified to incorporate the foregoing modifications which shall govern and control in the event of any inconsistency with any other provision of any of the Loan Documents. All other terms and conditions of the Loan Documents shall remain unchanged and in full force and effect. Any property or rights or interest in property granted as security for the Loans shall remain as security for the Loans and the obligations of the borrowers under the Loan Documents.

BANK OF AMERICA, N.A., a national banking
association

By: 
Name: EDGARDO MARTINEZ
Title: ASST. VICE PRESIDENT

20-Mar-2008 05:50 PM Bank of America 602-523-4396

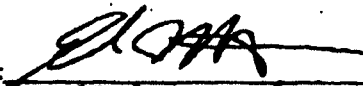
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Opus West Corporation
March 21, 2008
Page 18

21. Section 1.4(f) of the Opus May RLC Agreement is hereby deleted in its entirety.

Each of the Loan Documents, to the extent applicable, is hereby modified to incorporate the foregoing modifications which shall govern and control in the event of any inconsistency with any other provision of any of the Loan Documents. All other terms and conditions of the Loan Documents shall remain unchanged and in full force and effect. Any property or rights or interest in property granted as security for the Loans shall remain as security for the Loans and the obligations of the borrowers under the Loan Documents.

BANK OF AMERICA, N.A., a national banking
association

By: 
Name: EDGARDO MARTINEZ
Title: ASST. VICE PRESIDENT

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Opus West Corporation
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With respect to the Opus RLC Agreement:

Acknowledged and Agreed to as of the
22 day of March, 2008

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

With respect to the Commons at Chino Hills Construction
Agreement:

Acknowledged and Agreed to as of the
22 day of March, 2008

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

Opus West Corporation
March 21, 2008
Page 20

With respect to the Camarillo Ranch Agreement:

Acknowledged and Agreed to as of the
22 day of March 2008

O.W. COMMERCIAL, INC., a Delaware
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

Opus West Corporation
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With respect to the Highland Village Condos Agreement
and the Highland Village Condos Guaranty:

Acknowledged and Agreed to as of the
20 day of March, 2008

OPUS WEST LP, a Delaware limited partnership,
Borrower

BY: OPUS WEST CORPORATION, a
Minnesota corporation, Its General Partner

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

Opus West Corporation
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With respect to the Fort Bend Crossing Agreement and the
Fort Bend Crossing Guaranty:

Acknowledged and Agreed to as of the
20 day of March 2008

OPUS WEST LP, a Delaware limited partnership,
Borrower

BY: OPUS WEST CORPORATION, a
Minnesota corporation, Its General Partner

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

Opus West Corporation
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Page 23

With respect to the Shoppes at Chino Hills Agreement and
the Shoppes at Chino Hills Guaranty:

Acknowledged and Agreed to as of the
22 day of March, 2008

SHOPPES AT CHINO HILLS, INC., a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

Opus West Corporation
March 21, 2008
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With respect to the Fremont Tech Agreement and the
Fremont Tech Guaranty:

Acknowledged and Agreed to as of the
20 day of March, 2008

O.W. COMMERCIAL, INC., a Delaware
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

Opus West Corporation
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With respect to the Pima Center Agreement and the Pima
Center Guaranty:

Acknowledged and Agreed to as of the
21 day of March, 2008

PC 101, INC., a Delaware corporation

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

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With respect to the Pima Center III-C Agreement and the
Pima Center III-C Guaranty:

Acknowledged and Agreed to as of the
20 day of March, 2008

PC 101, INC., a Delaware corporation

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

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Page 27

With respect to the Cypress Agreement and the Cypress
Guaranty:

Acknowledged and Agreed to as of the
21 day of March, 2008

BROADSTONE CYPRESS, L.P., a Delaware
limited partnership

BY: OWR CYPRESS INC., a Delaware
corporation, its General Partner

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

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With respect to the Hill Country Apartments Construction
Agreement and the Hill Country Apartments Construction
Guaranty:

Acknowledged and Agreed to as of the
7th day of March 2008

HILL COUNTRY APARTMENTS, L.P., a
Delaware limited partnership

BY: OWR Hill Country, Inc., a Delaware
corporation, its General Partner

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

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With respect to the Hill Country Apartments Land Note
and the Hill Country Apartments Land Guaranty.

Acknowledged and Agreed to as of the
20 day of March 2008

HILL COUNTRY APARTMENTS, L.P., a
Delaware limited partnership

BY: OWR Hill Country, Inc., a Delaware
corporation, its General Manager

By: Charles Vogel
Name: Charles Vogel
Title: Vice President
BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President
GUARANTOR

Opus West Corporation
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With respect to the Arch Road Construction Agreement and
the Arch Road Construction Guaranty:

Acknowledged and Agreed to as of the
22 day of March, 2008

ARCH ROAD LIMITED PARTNERSHIP, a
Delaware limited partnership

BY: Stockton GP, L.L.C., a Delaware limited
liability company, its General Partner

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

Opus West Corporation
March 21, 2008
Page 31

With respect to the Westlake Village Note and the
Westlake Village Certificate:

Acknowledged and Agreed to as of the
26 day of March, 2008

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

Opus West Corporation
March 21, 2008
Page 32

With respect to the Scripps Ranch Construction
Agreement:

Acknowledged and Agreed to as of the
20 day of March, 2008

OPUS WEST CORPORATION, a Minnesota
corporation

By: *Charles Vogel*
Name: Charles Vogel
Title: Senior Vice President

BORROWER

Opus West Corporation
March 21, 2008
Page 33

With respect to the Stanford Ranch Note and the Stanford
Ranch Certificate:

Acknowledged and Agreed to as of the
20 day of March, 2008

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

Opus West Corporation
March 21, 2008
Page 34

With respect to the Walker Commons Construction
Agreement and the Walker Commons Construction
Guaranty:

Acknowledged and Agreed to as of the
21 day of March, 2008

BROADSTONE WALKER COMMONS, L.P., a
Delaware limited partnership

BY: OWR Walker Commons, Inc., a Delaware
corporation, its General Partner

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

Opus West Corporation
March 21, 2008
Page 35

With respect to the Irvine Center Construction Agreement
and the Irvine Center Construction Guaranty:

Acknowledged and Agreed to as of the
21 day of March, 2008

IRVINE CENTER PARTNERS III, L.L.C., a
Delaware limited liability company

BY: Opus West Corporation, a Minnesota
corporation, its Manager

By: Charles Vogel
Name: Charles Vogel
Title: Vice President
BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President
GUARANTOR

Opus West Corporation
March 21, 2008
Page 36

With respect to the Hill Country Galleria Construction
Agreement and the Hill Country Galleria Construction
Guaranty:

Acknowledged and Agreed to as of the
21 day of March, 2008

HILL COUNTRY GALLERIA, L.P., a Delaware
limited partnership

BY: OWR Hill Country, Inc., a Delaware
corporation, its General Partner

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

Opus West Corporation
March 21, 2008
Page 37

With respect to the Broadstone Galleria Construction
Agreement and the Broadstone Galleria Construction
Guaranty.

Acknowledged and Agreed to as of the
21 day of March, 2008

BROADSTONE GALLERIA, L.P., a Delaware
limited partnership

BY: OWR Galleria, Inc., a Delaware corporation,
its General Partner

By: Charles Vogel
Name: Charles Vogel
Title: Vice President
BORROWER

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

Opus West Corporation
March 21, 2008
Page 38

With respect to the Opus May RLC Agreement:

Acknowledged and Agreed to as of the
20 day of March, 2008

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

BORROWER

Opus West Corporation
March 21, 2008
Page 39

CONSENT AND AGREEMENT OF GUARANTOR

The undersigned ("Guarantor") executed guarantees in connection with one or more of the Loans described and defined in the foregoing letter agreement. The Guarantor hereby consents and agrees to the modifications and all other matters contained in the letter agreement and agrees that nothing contained in the letter agreement shall in any manner affect or impair any of the obligations or liabilities of the undersigned Guarantor to Lender. Each guaranty executed by the Guarantor in connection with one or more of the Loans is continued in full force and effect and remains unaffected and unchanged except to the extent specifically amended by this consent and agreement. All such guaranties are hereby ratified and reaffirmed and Guarantor specifically acknowledges the validity and enforceability thereof.

Dated as of March 20, 2008.

OPUS WEST CORPORATION, a Minnesota
corporation

By: 
Name: Charles Vogel
Title: Senior Vice President

GUARANTOR

ATTACHMENT 4

Alameda
County

RECORDING REQUESTED BY
FIRST AMERICAN TITLE



2009-11-09-23

05:10:200 00 00 21

RECORDING REQUESTED BY
FIRST AMERICAN TITLE

Recording Requested By/Return To:

Bank of America, N.A.
Commercial Real Estate Banking
Group, AZ1-200-22-17
201 East Washington Street, 22nd Floor
Phoenix, Arizona 85004-2343
Attention: N. Alonzo
ACS-287790-PHX1



18
*

**CONSTRUCTION DEED OF TRUST, ASSIGNMENT,
SECURITY AGREEMENT AND
FIXTURE FILING
(Fremont Tech Center, CA)**

by

**O.W. COMMERCIAL, INC.,
a Delaware corporation,
as Grantor,**

to and in favor of

**BANK OF AMERICA, N.A.,
a national banking association,
as Trustee,**

and

**BANK OF AMERICA, N.A.,
a national banking association,
as Beneficiary**

This document serves as a Fixture Filing under the California Uniform Commercial Code.

Grantor's Organizational Identification Number is 3961023.

QBPHX\103503.00035\2085387.3

RECORDING REQUESTED BY
FIRST AMERICAN TITLE

Unrecorded taxes terms less than 35 years

**CONSTRUCTION DEED OF TRUST, ASSIGNMENT,
SECURITY AGREEMENT AND FIXTURE FILING
(Fremont Tech Center, CA)**

This Construction Deed of Trust, Assignment, Security Agreement and Fixture Filing is made as of the 29th day of May, 2007, by O.W. COMMERCIAL, INC., a Delaware corporation (herein referred to as "Grantor"), whose address is 2555 East Camelback Road, Suite 800, Phoenix, Arizona 85016-9267, to BANK OF AMERICA, N.A., a national banking association ("Initial Trustee"), whose address is Commercial Real Estate Banking Group, AZ1-200-22-17, 201 East Washington Street, 22nd Floor, Phoenix, Arizona 85004-2343, Attention: N. Alonzo, and BANK OF AMERICA, N.A., a national banking association (together with its successors and assigns, "Lender"), whose address is Commercial Real Estate Banking Group, AZ1-200-22-17, 201 East Washington Street, 22nd Floor, Phoenix, Arizona 85004-2343, Attention: N. Alonzo.

RECITALS

Grantor has requested that Lender make the Loan (as hereinafter defined) to Grantor. As a condition precedent to making the Loan, Lender has required that Grantor execute and deliver this Construction Deed of Trust, Assignment, Security Agreement and Fixture Filing to Trustee and Lender.

GRANTS AND AGREEMENTS

NOW, THEREFORE, in order to induce Lender to make the Loan to Grantor, Grantor agrees as follows:

**ARTICLE I
DEFINITIONS**

As used in this Deed of Trust, the terms defined in the Preamble hereto shall have the respective meanings specified therein, and the following additional terms shall have the meanings specified:

"Accessories" means all fixtures, equipment, systems, machinery, furniture, furnishings, appliances, inventory, goods, building and construction materials, supplies and other articles of personal property, of every kind and character, tangible and intangible (including software embedded therein), now owned or hereafter acquired by Grantor, which are now or hereafter attached to or situated in, on or about the Land or Improvements, or used in or necessary to the complete and proper planning, development, use, occupancy or operation thereof, or acquired (whether delivered to the Land or stored elsewhere) for use or installation in or on the Land or Improvements, and all Additions to the foregoing, all of which are hereby declared to be permanent accessions to the Land.

"Accounts" means all accounts of Grantor within the meaning of the Uniform Commercial Code of the State, derived from or arising out of the use, occupancy or enjoyment of the Property or for services rendered therein or thereon.

"Additions" means any and all alterations, additions, accessions and improvements to the Property, substitutions therefor, and renewals and replacements thereof.

"Beneficiary" means Lender and its successors and assigns.

"Claim" means any liability, suit, action, claim, demand, loss, expense, penalty, fine, judgment or other cost of any kind or nature whatsoever arising out of or relating to the Property, including fees, costs and expenses of attorneys, consultants, contractors and experts.

"Condemnation" means any taking of title to, use of, or any other interest in the Property under the exercise of the power of condemnation or eminent domain, whether temporarily or permanently, by any Governmental Authority or by any other Person acting under or for the benefit of a Governmental Authority.

"Condemnation Awards" means any and all judgments, awards of damages (including severance and consequential damages), payments, proceeds, settlements, amounts paid for a taking in lieu of Condemnation, or other compensation heretofore or hereafter made, including interest thereon, and the right to receive the same, as a result of, or in connection with, any Condemnation or threatened Condemnation.

"Contract of Sale" means any contract for the sale of all or any part of the Property or any interest therein, whether now in existence or hereafter executed.

"Deed of Trust" means this Construction Deed of Trust, Assignment, Security Agreement and Fixture Filing, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Default" means an event or circumstance which, with the giving of Notice or lapse of time, or both, would constitute an Event of Default under the provisions of this Deed of Trust.

"Design and Construction Documents" means, collectively, (a) all contracts for services to be rendered, work to be performed or materials to be supplied in the development of the Land or the construction or repair of Improvements, including all agreements with architects, engineers or contractors for such services, work or materials; (b) all plans, drawings and specifications for the development of the Land or the construction or repair of Improvements; (c) all permits, licenses, variances and other rights or approvals issued by or obtained from any Governmental Authority or other Person in connection with the

development of the Land or the construction or repair of Improvements; and (d) all amendments of or supplements to any of the foregoing.

"Encumbrance" means any Lien, easement, right of way, roadway (public or private), condominium regime, cooperative housing regime, condition, covenant or restriction (including any CC&Rs in connection with any condominium development or cooperative housing development), Lease or other matter of any nature that would affect title to the Property.

"Environmental Agreement" means the Environmental Indemnification and Release Agreement of even date herewith by and between Grantor and Lender pertaining to the Property, as the same may from time to time be extended, amended, restated or otherwise modified. The Environmental Agreement is one of the Loan Documents, but this Deed of Trust does not secure the obligations of Grantor under the Environmental Agreement.

"Event of Default" means an event or circumstance specified in Article VI hereof and the continuance of such event or circumstance beyond the applicable grace and/or cure periods therefor, if any, set forth in Article VI hereof.

"Expenses" means all fees, charges, costs and expenses of any nature whatsoever incurred at any time and from time to time (whether before or after an Event of Default) by Beneficiary or Trustee in making, funding, administering or modifying the Loan, in negotiating or entering into any "workout" of the Loan, or in exercising or enforcing any rights, powers and remedies provided in this Deed of Trust or any of the other Loan Documents, including attorneys' fees, court costs, receiver's fees, management fees and costs incurred in the repair, maintenance and operation of, or taking possession of, or selling, the Property.

"Governmental Authority" means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, service, district or other instrumentality of any governmental entity.

"Improvements" means all buildings, structures and other improvements now or hereafter existing, erected or placed on the Land, together with any on-site improvements and off-site improvements in any way used or to be used in connection with the use, enjoyment, occupancy or operation of the Land.

"Insurance Proceeds" means the insurance claims under and the proceeds of any and all policies of insurance covering the Property or any part thereof, including all returned and unearned premiums with respect to any insurance relating to such Property, in each case whether now or hereafter existing or arising.

"Land" means the real property described in Exhibit "A" attached hereto and made a part hereof.

"Laws" means all federal, state and local laws, statutes, rules, ordinances, regulations, codes, licenses, authorizations, decisions, injunctions, interpretations, orders or decrees of any court or other Governmental Authority having jurisdiction as may be in effect from time to time.

"Leases" means all leases, license agreements and other occupancy or use agreements (whether oral or written), now or hereafter existing, which cover or relate to the Property or any part thereof, together with all options therefor, amendments thereto and renewals, modifications and guaranties thereof, including any cash or security deposited under the Leases to secure performance by the tenants of their obligations under the Leases, whether such cash or security is to be held until the expiration of the terms of the Leases or applied to one or more of the installments of rent coming due thereunder.

"Letter of Credit" means any letter of credit issued by Beneficiary for the account of Grantor or its nominee in connection with the development of the Land or the construction of the Improvements, together with any and all extensions, renewals or modifications thereof, substitutions therefor or replacements thereof.

"Lien" means any mortgage, deed of trust, pledge, security interest, assignment, judgment, lien or charge of any kind relating to the Property, including any conditional sale or other title retention agreement, any lease in the nature thereof, and the filing of, or agreement to give, any financing statement under the Uniform Commercial Code of any jurisdiction.

"Loan" means the loan from Beneficiary to Grantor, the repayment obligations in connection with which are evidenced by the Note.

"Loan Agreement" means the Loan Agreement of even date herewith between Grantor and Lender which sets forth, among other things, the terms and conditions upon which the proceeds of the Loan will be disbursed, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Loan Documents" means this Deed of Trust, the Note, the Environmental Agreement, the Loan Agreement, any Swap Contract, any application or reimbursement agreement executed in connection with any Letter of Credit, and any and all other documents which Grantor or any other party or parties have executed and delivered, or may hereafter execute and deliver, to evidence, secure or guarantee the Obligations, or any part thereof, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Note" means that Promissory Note of even date herewith in the original principal face amount of THIRTY ONE MILLION ONE HUNDRED SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$31,165,000.00) made by Grantor to the order of Lender, as the same may from time to time be extended, amended, restated, supplemented or otherwise modified.

"Notice" means a notice, request, consent, demand or other communication given in accordance with the provisions of Section 9.8 of this Deed of Trust.

"Obligations" means all present and future debts, obligations and liabilities of Grantor to Beneficiary and/or Trustee arising pursuant to, and/or on account of the provisions of this Deed of Trust, the Note or any of the other Loan Documents, including the obligations: (a) to pay all principal, interest, late charges, prepayment premiums (if any) and other amounts due at any time under the Note; (b) to pay all Expenses, indemnification payments, fees and other amounts due at any time under this Deed of Trust or any of the other Loan Documents, together with interest thereon as herein or therein provided; (c) to pay and perform all obligations of Grantor under any Swap Contract; (d) to perform, observe and comply with all of the other terms, covenants and conditions, expressed or implied, which Grantor is required to perform, observe or comply with pursuant to this Deed of Trust or any of the other Loan Documents; and (e) to pay and perform all future advances and other obligations that Grantor or any successor in ownership of all or part of the 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; excluding, however, the debts, obligations and liabilities of Grantor under the Environmental Agreement. This Deed of Trust does not secure the Environmental Agreement or any other Loan Document that is expressly stated to be unsecured.

"Permitted Encumbrances" means (a) any matters set forth in any policy of title insurance issued to Beneficiary and insuring Beneficiary's interest in the Property which are acceptable to Beneficiary as of the date hereof, (b) the Liens and interests of this Deed of Trust, and (c) any other Encumbrance that Beneficiary shall expressly approve in its sole and absolute discretion, as evidenced by a "marked-up" commitment for title insurance initialed on behalf of Beneficiary.

"Person" means an individual, a corporation, a partnership, a joint venture, a limited liability company, a trust, an unincorporated association, any Governmental Authority or any other entity.

"Personalty" means all personal property of any kind or nature whatsoever, whether tangible or intangible and whether now owned or hereafter acquired, in which Grantor now has or hereafter acquires an interest and which is used in the construction of, or is placed upon, or is derived from or used in connection with the maintenance, use, occupancy or enjoyment of, the Property, including (a) the Accessories; (b) the Accounts; (c) all franchise, license, management or other agreements with respect to the operation of the Real Property or the business conducted therein (provided all of such agreements shall be subordinate to this Deed of Trust, and Beneficiary shall have no responsibility

for the performance of Grantor's obligations thereunder) and all general intangibles (including payment intangibles, trademarks, trade names, goodwill, software and symbols) related to the Real Property or the operation thereof; (d) all sewer and water taps, appurtenant water stock or water rights, any Type 2 nonirrigation grandfathered water rights, contractual rights to water, allocations and agreements for utilities, bonds, letters of credit, permits, certificates, licenses, guaranties, warranties, causes of action, judgments, Claims, profits, security deposits, utility deposits, and all rebates or refunds of fees, Taxes, assessments, charges or deposits paid to any Governmental Authority related to the Real Property or the operation thereof; (e) all of Grantor's rights and interests under all Swap Contracts, including all rights to the payment of money from Beneficiary under any Swap Contract and all accounts, deposit accounts and general intangibles, including payment intangibles, described in any Swap Contract; (f) all insurance policies held by Grantor with respect to the Property or Grantor's operation thereof; and (g) all money, instruments and documents (whether tangible or electronic) arising from or by virtue of any transactions related to the Property, and all deposits and deposit accounts of Grantor with Beneficiary related to the Property, including any such deposit account from which Grantor may from time to time authorize Beneficiary to debit and/or credit payments due with respect to the Loan; together with all Additions to and Proceeds of all of the foregoing.

"Proceeds," when used with respect to any of the Property, means all proceeds of such Property, including all Insurance Proceeds and all other proceeds within the meaning of that term as defined in the Uniform Commercial Code of the State.

"Property" means the Real Property and the Personalty and all other rights, interests and benefits of every kind and character which Grantor now has or hereafter acquires in, to or for the benefit of the Real Property and/or the Personalty and all other property and rights used or useful in connection therewith, including all Leases, all Rents, all Condemnation Awards, all Proceeds, and all of Grantor's right, title and interest in and to all Design and Construction Contracts, all Contracts of Sale and all Refinancing Commitments.

"Property Assessments" means all Taxes, payments in lieu of taxes, water rents, sewer rents, assessments, condominium and owner's association assessments and charges, maintenance charges and other governmental or municipal or public or private dues, charges and levies and any Liens (including federal tax liens) which are or may be levied, imposed or assessed upon the Property or any part thereof, or upon any Leases or any Rents, whether levied directly or indirectly or as excise taxes, as income taxes, or otherwise.

"Real Property" means the Land and Improvements, together with (a) all estates, title interests, title reversion rights, remainders, increases, issues, profits, rights of way or uses, additions, accretions, servitudes, strips, gaps, gores,

liberties, privileges, water rights, water courses, alleys, passages, ways, vaults, licenses, tenements, franchises, hereditaments, appurtenances, easements, rights-of-way, rights of ingress or egress, parking rights, timber, crops, mineral interests and other rights, now or hereafter owned by Grantor and belonging or appertaining to the Land or Improvements; (b) all Claims whatsoever of Grantor with respect to the Land or Improvements, either in law or in equity, in possession or in expectancy; (c) all estate, right, title and interest of Grantor in and to all streets, roads and public places, opened or proposed, now or hereafter adjoining or appertaining to the Land or Improvements; and (d) all options to purchase the Land or Improvements, or any portion thereof or interest therein, and any greater estate in the Land or Improvements, and all Additions to and Proceeds of the foregoing.

"Refinancing Commitment" means any commitment from or other agreement with any Person providing for the financing of the Property, some or all of the proceeds of which are intended to be used for the repayment of all or a portion of the Loan.

"Rents" means all of the rents, royalties, issues, profits, revenues, earnings, income and other benefits of the Property, or arising from the use or enjoyment of the Property, including all such amounts paid under or arising from any of the Leases and all fees, charges, accounts or other payments for the use or occupancy of rooms or other public facilities within the Real Property.

"State" means the State of Arizona.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, interest cap, collar or floor transaction, currency swap, cross-currency rate swap, swap option, currency option or any other similar transaction (including any option to enter into the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any form of master agreement published by the International Swaps and Derivatives Association, Inc., or any other master agreement, entered into between Beneficiary (or its affiliate) and Grantor (or its affiliate) in connection with the Loan, together with any related schedules and confirmations, as amended, supplemented, superseded or replaced from time to time, relating to or governing any or all of the foregoing.

"Taxes" means, solely with respect to the Property, all taxes and assessments, whether general or special, ordinary or extraordinary, or foreseen or unforeseen, which at any time may be assessed, levied, confirmed or imposed by any Governmental Authority or any community facilities or other private district on Grantor or on any of its properties or assets or any part thereof or in respect of any of its franchises, businesses, income or profits.

"Transfer" means any direct or indirect sale, assignment, conveyance or transfer, including any Contract of Sale and any other contract or agreement to sell, assign, convey or transfer, whether made voluntarily or by operation of Law or otherwise, and whether made with or without consideration.

"Trustee" means the Initial Trustee or its successor in trust who may be acting under and pursuant to this Deed of Trust from time to time.

ARTICLE II GRANTING CLAUSES; CONDITION OF GRANT

Section 2.1 Conveyances and Security Interests.

In order to secure the prompt payment and performance of the Obligations, Grantor (a) hereby irrevocably and unconditionally grants, conveys, transfers and assigns to Trustee, in trust, for the benefit of Beneficiary, with power of sale and right of entry and possession, all estate, right, title and interest that Grantor now has or may later acquire in and to the Real Property; (b) grants to Beneficiary a security interest in the Personalty; (c) assigns to Beneficiary, and grants to Beneficiary a security interest in, all Condemnation Awards and all Insurance Proceeds; and (d) assigns to Beneficiary, and grants to Beneficiary a security interest in, all of Grantor's right, title and interest in, but not any of Grantor's obligations or liabilities under, all Design and Construction Documents, all Contracts of Sale and all Refinancing Commitments. All Persons who may have or acquire an interest in all or any part of the Property will be deemed to have notice of, and will be bound by, the terms of the Obligations and each other agreement or instrument made or entered into in connection with each of the Obligations. Such terms include any provisions in the Note, the Loan Agreement or any Swap Contract which provide that the interest rate on one or more of the Obligations may vary from time to time. The definition of "Obligations" includes future advances.

Section 2.2 Absolute Assignment of Leases and Rents.

In consideration of the making of the Loan by Beneficiary to Grantor and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor absolutely and unconditionally assigns the Leases and Rents to Beneficiary. This assignment is, and is intended to be, an unconditional, absolute and present assignment from Grantor to Beneficiary of all of Grantor's right, title and interest in and to the Leases and the Rents and not an assignment in the nature of a pledge of the Leases and Rents or the mere grant of a security interest therein. So long as no Event of Default shall exist, however, and so long as Grantor is not in default in the performance of any obligation, covenant or agreement contained in the Leases, Grantor shall have a license (which license shall terminate automatically and without notice upon the occurrence of an Event of Default or a default by Grantor under the Leases) to collect, but not prior to accrual, all Rents. Grantor agrees to collect and hold all Rents in trust for Beneficiary and to use the Rents for the payment of the cost of operating and maintaining the Property and for the payment of the other Obligations before using the Rents for any other purpose.

Section 2.3 Security Agreement, Fixture Filing and Financing Statement.

This Deed of Trust creates a security interest in the Personalty, and, to the extent the Personalty is not real property, this Deed of Trust constitutes a security agreement from Grantor to Beneficiary under the Uniform Commercial Code of the State. In addition to all of its other rights under this Deed of Trust and otherwise, Beneficiary shall have all of the rights of a secured party under the Uniform Commercial Code of the State, as in effect from time to time, or under the Uniform Commercial Code in force from time to time in any other state to the extent the same is applicable Law. This Deed of Trust shall be effective as a financing statement filed as a fixture filing with respect to all fixtures included within the Property and is to be filed for record in the real estate records of each county where any part of the Property (including such fixtures) is situated. This Deed of Trust shall also be effective as a financing statement with respect to any other Property as to which a security interest may be perfected by the filing of a financing statement and may be filed as such in any appropriate filing or recording office. The respective mailing addresses of Grantor and Beneficiary are set forth in the opening paragraph of this Deed of Trust. A carbon, photographic or other reproduction of this Deed of Trust or any other financing statement relating to this Deed of Trust shall be sufficient as a financing statement for any of the purposes referred to in this Section. Grantor hereby irrevocably authorizes Beneficiary at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements as authorized by applicable Law, reasonably required by Beneficiary to establish or maintain the validity, perfection and priority of the security interests granted in this Deed of Trust.

Section 2.4 Release of Deed of Trust and Termination of Assignments and Financing Statements.

(a) **Reconveyance; Termination Statements.** In addition to releases permitted pursuant to Schedule 7 to the Loan Agreement, if and when Grantor has paid and performed all of the Obligations, and no further advances are to be made under the Loan Agreement, Trustee, upon request by Beneficiary, will provide a reconveyance of the Property from the lien of this Deed of Trust and termination statements for filed financing statements, if any, to Grantor. Grantor shall be responsible for the recordation of such reconveyance and the payment of any recording and filing costs. Upon the recording of such reconveyance and the filing of such termination statements, the absolute assignments set forth in Section 2.2 hereof shall automatically terminate and become null and void.

(b) **Partial Releases, No Release in Default.** Partial releases of the lien of this Deed of Trust shall be made in accordance with the terms and provisions of the Loan Agreement, or in accordance with such other terms and conditions as may subsequently be agreed to by Beneficiary. No partial release shall be sought, requested or required if any Event of Default has occurred which has not been cured.

(c) **Effect of Partial Release.** Beneficiary may, regardless of consideration, cause the release of any part of the Property from the lien of this Deed of Trust without in any manner affecting or impairing the lien or priority of this Deed of Trust as to the remainder of the Property.

**ARTICLE III
REPRESENTATIONS AND WARRANTIES**

Grantor makes the following representations and warranties to Beneficiary:

Section 3.1 Title to Real Property.

Grantor (a) owns fee simple title in the Real Property, (b) owns all of the beneficial and equitable interest in and to the Real Property, and (c) is lawfully seized and possessed of the Real Property. Grantor has the right and authority to convey the Real Property and does hereby convey the Real Property. The Real Property is subject to no Encumbrances other than the Permitted Encumbrances.

Section 3.2 Title to Other Property.

Grantor has good title to the Personality, and the Personality is not subject to any Encumbrance other than the Permitted Encumbrances. None of the Leases, Rents, Design and Construction Documents, Contracts of Sale or Refinancing Commitments are subject to any Encumbrance other than the Permitted Encumbrances.

Section 3.3 Property Assessments.

The Real Property is assessed for purposes of Property Assessments as a separate and distinct parcel from any other property, such that the Real Property shall never become subject to the Lien of any Property Assessments levied or assessed against any property other than the Real Property.

Section 3.4 Independence of the Real Property.

No buildings or other improvements on property not covered by this Deed of Trust rely on the Real Property or any interest therein to fulfill any requirement of any Governmental Authority for the existence of such property, building or improvements; and none of the Real Property relies, or will rely, on any property not covered by this Deed of Trust or any interest therein to fulfill any requirement of any Governmental Authority. The Real Property has been properly subdivided from all other property in accordance with the requirements of any applicable Governmental Authorities.

Section 3.5 Existing Improvements.

The existing Improvements, if any, were constructed, and are being used and maintained, in accordance with all applicable Laws, including zoning Laws.

Section 3.6 Leases and Tenants.

The Leases are valid and are in full force and effect, and Grantor is not in default under any of the terms thereof. Except as expressly permitted in the Loan Agreement, Grantor has not accepted any Rents in advance of the time the same became due under the Leases and has not forgiven, compromised or discounted any of the Rents. Grantor has title to and the right to

assign the Leases and Rents to Beneficiary, and no other assignment of the Leases or Rents has been granted. To the best of Grantor's knowledge and belief, no tenant or tenants occupying, individually or in the aggregate, more than five percent (5%) of the net rentable area of the Improvements are in default under their Lease(s) or are the subject of any bankruptcy, insolvency or similar proceeding.

ARTICLE IV AFFIRMATIVE COVENANTS

Section 4.1 Obligations.

Grantor agrees to promptly pay and perform all of the Obligations, time being of the essence in each case.

Section 4.2 Property Assessments; Documentary Taxes.

Grantor (a) will promptly pay in full and discharge prior to delinquency all Property Assessments, and (b) will furnish to Beneficiary, upon demand, the receipted bills for such Property Assessments prior to the day upon which the same shall become delinquent. Property Assessments shall be considered delinquent as of the first day any interest or penalty commences to accrue thereon. Grantor will promptly pay all stamp, documentary, recordation, transfer and intangible taxes and all other taxes that may from time to time be required to be paid with respect to the Loan, the Note, this Deed of Trust or any of the other Loan Documents.

Section 4.3 Permitted Contests.

Grantor shall not be required to pay any of the Property Assessments, or to comply with any Law, so long as Grantor shall in good faith, and at its cost and expense, contest the amount or validity thereof, or take other appropriate action with respect thereto, in good faith and in an appropriate manner or by appropriate proceedings; provided that (a) such proceedings operate to prevent the collection of, or other realization upon, such Property Assessments or enforcement of the Law so contested, (b) there will be no sale, forfeiture or loss of the Property during the contest, (c) neither Beneficiary nor Trustee is subjected to any Claim as a result of such contest, and (d) Grantor provides assurances satisfactory to Beneficiary (including the establishment of an appropriate reserve account with Beneficiary) of its ability to pay such Property Assessments or comply with such Law in the event Grantor is unsuccessful in its contest. Each such contest shall be promptly prosecuted to final conclusion or settlement, and Grantor shall indemnify and save Beneficiary and Trustee harmless for, from and against all Claims in connection therewith. Promptly after the settlement or conclusion of such contest or action, Grantor shall comply with such Law and/or pay and discharge the amounts which shall be levied, assessed or imposed or determined to be payable, together with all penalties, fines, interests, costs and expenses in connection therewith.

Section 4.4 Compliance with Laws.

Grantor will comply with and not violate, and cause to be complied with and not violated, all present and future Laws applicable to the Property and its use and operation.

Section 4.5 Maintenance and Repair of the Property.

Grantor, at Grantor's sole expense, will (a) keep and maintain Improvements and Accessories in good condition, working order and repair, reasonable wear and tear excepted, and (b) make all necessary or appropriate repairs and Additions to Improvements and Accessories, if any, so that each part of the Improvements and all of the Accessories shall at all times be in good condition and fit and proper for the respective purposes for which they were originally intended, erected, or installed.

Section 4.6 Additions to Security.

All right, title and interest of Grantor in and to all Improvements and Additions hereafter constructed or placed on the Property and in and to any Accessories hereafter acquired shall, without any further deed of trust, conveyance, assignment or other act by Grantor, become subject to the Lien of this Deed of Trust as fully and completely, and with the same effect, as though now owned by Grantor and specifically described in the granting clauses hereof. Grantor agrees, however, to execute and deliver to Trustee and/or Beneficiary such further documents as may be required by the terms of the Loan Agreement and the other Loan Documents.

Section 4.7 Subrogation.

To the extent permitted by Law, Beneficiary shall be subrogated, notwithstanding its release of record, to any Lien now or hereafter existing on the Property to the extent that such Lien is paid or discharged by Beneficiary whether or not from the proceeds of the Loan. This Section shall not be deemed or construed, however, to obligate Beneficiary to pay or discharge any Lien.

Section 4.8 Leases.

(a) Except as expressly permitted in the Loan Agreement, Grantor shall not enter into any Lease with respect to all or any portion of the Property without the prior written consent of Beneficiary; provided, however, Beneficiary has approved Grantor's form lease agreement for the Property as of the date hereof, and any such consent is hereby deemed given by the Beneficiary.

(b) Neither Trustee nor Beneficiary shall be obligated to perform or discharge any obligation of Grantor under any Lease. The assignment of Leases provided for in this Deed of Trust in no manner places on Beneficiary or Trustee any responsibility for (i) the control, care, management or repair of the Property, (ii) the carrying out of any of the terms and conditions of the Leases, (iii) any waste committed on the Property, or (iv) any dangerous or defective condition on the Property (whether known or unknown).

(c) No approval of any Lease by Beneficiary shall be for any purpose other than to protect Beneficiary's security and to preserve Beneficiary's rights under the Loan Documents, and no such approval shall result in a waiver of a Default or Event of Default.

ARTICLE V NEGATIVE COVENANTS

Section 5.1 Encumbrances.

Grantor will not permit any of the Property to become subject to any Encumbrance other than the Permitted Encumbrances and the liens created by the Loan Documents. Within thirty (30) days after the filing of any mechanic's lien or other Lien or Encumbrance against the Property, Grantor will promptly discharge the same by payment or filing a bond or otherwise as permitted by Law. So long as Beneficiary's security has been protected by the filing of a bond or otherwise in a manner satisfactory to Beneficiary in its sole and absolute discretion, Grantor shall have the right to contest in good faith any Claim, Lien or Encumbrance, provided that Grantor does so diligently and without prejudice to Beneficiary or delay in completing construction of the Improvements. Grantor shall give Beneficiary Notice of any default under any Lien and Notice of any foreclosure or threat of foreclosure with respect to any of the Property.

Section 5.2 Transfer of the Property.

Grantor will not Transfer, or contract to Transfer, all or any part of the Property or any legal or beneficial interest therein (except without Beneficiary's consent for (i) certain Transfers of the Accessories expressly permitted in this Deed of Trust, (ii) Transfers that will result in the full payoff of the Loan within ten (10) days after such Transfer, (iii) any Transfer to an affiliate or wholly-owned subsidiary of Grantor, and (iv) Leases which shall be deemed permitted Transfers). The Transfer of more than fifty percent (50.0%) of the voting power in Grantor (whether in one or more transactions during the term of the Loan) shall be deemed to be a prohibited Transfer of the Property, except as otherwise permitted in the Loan Agreement. Notwithstanding the foregoing, transfers of any interest in Grantor to any person or entity that is directly or indirectly controlled by, controlling or under common control of or with (a) Opus West Corporation, Opus Corporation, Opus, L.L.C., (b) the founder of Opus Corporation, his children, his grandchildren or other members of his family, or (c) the trustee of a trust or trust for the benefit of the founder of Opus Corporation, his children, his grandchildren or other members of his family, shall be permitted hereunder without Beneficiary's consent so long as Opus West Corporation remains fully obligated for the payment of the Obligations.

Section 5.3 Removal, Demolition or Alteration of Accessories and Improvements.

Except to the extent permitted by the following sentence, no Improvements or Accessories shall be removed, demolished or materially altered without the prior written consent of Beneficiary. Notwithstanding the foregoing, Grantor may remove and dispose of, free from the Lien of this Deed of Trust and without Beneficiary's consent, such Accessories as from time to time become worn out or obsolete, provided that, either (a) at the time of, or prior to, such removal, any such Accessories are replaced with other Accessories which are free from Liens other than Permitted Encumbrances and have a value at least equal to that of the replaced

Accessories (and by such removal and replacement Grantor shall be deemed to have subjected such Accessories to the Lien of this Deed of Trust), or (b) so long as a prepayment may be made without the imposition of any premium pursuant to the Note, such Accessories are sold at fair market value for cash and the net cash proceeds received from such disposition are paid over promptly to Beneficiary to be applied to the prepayment of the principal of the Loan.

Section 5.4 Additional Improvements.

Unless in accordance with the Design and Construction Documents, Grantor will not construct any Improvements other than those presently on the Land and those described in the Loan Agreement without the prior written consent of Beneficiary. Grantor will complete and pay for, within a reasonable time, any Improvements which Grantor is permitted to construct on the Land. Grantor will construct and erect any permitted Improvements (a) strictly in accordance with all applicable Laws and any private restrictive covenants, (b) entirely on lots or parcels of the Land, (c) so as not to encroach upon any easement or right of way or upon the land of others, and (d) wholly within any building restriction and setback lines applicable to the Land.

Section 5.5 Restrictive Covenants, Zoning, etc.

Unless in accordance with the Design and Construction Documents, without the prior written consent of Beneficiary, Grantor will not initiate, join in, or consent to any change in, any restrictive covenant, easement, zoning ordinance, or other public or private restrictions limiting or defining the uses which may be made of the Property, or consent to or vote in favor of the inclusion of the Property in any community facilities district or any other improvement, assessment or similar district. Grantor (a) will promptly perform and observe, and use commercially reasonable efforts to cause to be performed and observed, all of the terms and conditions of all agreements affecting the Property, and (b) will do or use commercially reasonable efforts to cause to be done all things necessary to preserve intact and unimpaired any and all easements, appurtenances and other interests and rights in favor of, or constituting any portion of, the Property.

**ARTICLE VI
EVENTS OF DEFAULT**

The occurrence or happening, from time to time, of any one or more of the following shall constitute an Event of Default under this Deed of Trust:

Section 6.1 Payment Obligations.

Grantor fails to pay any of the Obligations when due, whether on the scheduled due date or upon acceleration, maturity or otherwise and such failure is not cured within five (5) days after receipt of Notice from Beneficiary to Grantor, provided, however, no Notice shall be required at maturity.

Section 6.2 Transfers.

Grantor Transfers, or contracts to Transfer, all or any part of the Property or any legal or beneficial interest therein (except as otherwise permitted in the Loan Agreement and except for Transfers of the Accessories expressly permitted under this Deed of Trust). The Transfer of stock in Grantor (whether in one or more transactions during the term of the Loan) except as otherwise permitted in the Loan Agreement shall be deemed to be a prohibited Transfer of the Property constituting an Event of Default.

Section 6.3 Other Obligations.

Grantor fails to promptly perform or comply with any of the Obligations set forth in this Deed of Trust (other than those expressly described in other Sections of this Article VI), and such failure continues uncured for a period of fifteen (15) days after receipt of Notice from Beneficiary to Grantor.

Section 6.4 Event of Default Under Other Loan Documents.

An Event of Default (as defined therein) occurs under the Note or the Loan Agreement, or Borrower fails to promptly pay, perform, observe or comply with any obligation or agreement contained in any of the other Loan Documents (within any applicable grace or cure period).

Section 6.5 Change in Zoning or Public Restriction.

Any change in any zoning ordinance or regulation or any other public restriction is enacted, adopted or implemented that limits or defines the uses which may be made of the Property such that the present or intended use of the Property, as specified in the Loan Documents, would be in violation of such zoning ordinance or regulation or public restriction, as changed, and such violation will materially and adversely affect Borrower's ability to perform its obligations under the Loan Documents.

Section 6.6 Default Under Leases.

Grantor fails duly to perform its obligations under any Lease, and such failure is not cured within the grace period, if any, provided in the Lease.

Section 6.7 Default Under Other Lien Documents.

A default by Grantor occurs under any other mortgage, deed of trust or security agreement covering the Property, including any Permitted Encumbrances and is not cured within the grace period, if any, provided therein.

Section 6.8 Execution; Attachment.

Any execution or attachment is levied against any of the Property, and such execution or attachment is not set aside, discharged or stayed within thirty (30) days after the same is levied.

ARTICLE VII RIGHTS AND REMEDIES

Upon the happening of any Event of Default, Beneficiary, or Trustee at the direction of Beneficiary, shall have the right, in addition to any other rights or remedies available to Beneficiary under any of the Loan Documents or applicable Law, to exercise any one or more of the following rights, powers or remedies:

Section 7.1 Acceleration.

Beneficiary may accelerate all Obligations under the Loan Documents whereupon such Obligations shall become immediately due and payable, without notice of default, notice of acceleration or intention to accelerate, presentment or demand for payment, protest, notice of protest, notice of nonpayment or dishonor, or notices or demands of any kind or character (all of which are hereby waived by Grantor).

Section 7.2 Foreclosure; Power of Sale.

Trustee, if and as directed by Beneficiary, shall have all of the rights and may exercise all of the powers set forth in applicable Law of the State of California, including those powers set forth in Sections 2924 et seq. and Section 2938 of the California Civil Code or any successor provision of Law, Trustee may sell the Property in its entirety or in parcels, and by one or by several sales, as deemed appropriate by Trustee in its sole and absolute discretion. If Trustee chooses to have more than one foreclosure sale, Trustee 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 as Trustee may elect. Trustee shall receive and apply the proceeds from the sale of the Property, or any portion thereof, in accordance with Section 2924k of the California Civil Code or any successor provision of Law. Before any foreclosure sale, Beneficiary or Trustee shall give such notice of default and election to sell as may be required by Law. After the lapse of such time as may then be required by Law following the recordation of such notice of default, and notice of sale having been given as then required by Law, 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 foreclosure sale. From time to time in accordance with then-applicable Law, Trustee may, and in any event at Beneficiary's request shall, postpone any foreclosure sale by public announcement at the time and place noticed for that sale. At any foreclosure sale, Trustee shall sell to the highest bidder at public auction for cash in lawful money of the United States (or cash equivalents acceptable to Trustee to the extent permitted by applicable Law), payable at the time of sale. Trustee shall execute and deliver to the purchaser(s) a deed or deeds conveying the property being sold without any covenant or warranty whatsoever, expressed or implied. The recitals in any such deed of any matters of fact, including any facts bearing upon the regularity or validity of any foreclosure sale, shall be conclusive proof of their truthfulness. Any such deed shall be conclusive against all Persons as to the facts recited therein. Any Person, including Trustee or Beneficiary, may purchase at such sale, and any bid by Beneficiary may be, in whole or in part, in the form of cancellation of all or any part of the Obligations.

Section 7.3 Judicial Action.

Beneficiary and Trustee, if and as directed by Beneficiary, shall have the right to bring an action in any court of competent jurisdiction for foreclosure of this Deed of Trust and a deficiency judgment as provided by Law, or for specific enforcement of any of the covenants or agreements of this Deed of Trust.

Section 7.4 Collection of Rents.

Upon the occurrence of an Event of Default, the license granted to Grantor to collect the Rents shall be automatically and immediately revoked, without further notice to or demand upon Grantor. Beneficiary may, but shall not be obligated to, exercise any or all of the rights and remedies provided in Section 2938 of the California Civil Code and perform any or all obligations of the landlord under any or all of the Leases, and Beneficiary may, but shall not be obligated to, exercise and enforce any or all of Grantor's rights under the Leases. Without limitation to the generality of the foregoing, Beneficiary may notify the tenants under the Leases that all Rents are to be paid to Beneficiary, and following such notice all Rents shall be paid directly to Beneficiary and not to Grantor or any other Person other than as directed by Beneficiary, it being understood that a demand by Beneficiary on any tenant under the Leases for the payment of Rent shall be sufficient to warrant payment by such tenant of Rent to Beneficiary without the necessity of further consent by Grantor. Grantor hereby irrevocably authorizes and directs the tenants under the Lease to pay all Rents to Beneficiary instead of to Grantor, upon receipt of written notice from Beneficiary, without the necessity of any inquiry of Grantor and without the necessity of determining the existence or non-existence of an Event of Default. Grantor hereby appoints Beneficiary as Grantor's attorney-in-fact with full power of substitution, which appointment shall take effect upon the occurrence of an Event of Default and is coupled with an interest and is irrevocable prior to the full and final payment and performance of the Obligations, in Grantor's name or in Beneficiary's name: (a) to endorse all checks and other instruments received in payment of Rents and to deposit the same in any account selected by Beneficiary; (b) to give receipts and releases in relation thereto; (c) to institute, prosecute and/or settle actions for the recovery of Rents; (d) to modify the terms of any Leases including terms relating to the Rents payable thereunder; (e) to cancel any Leases; (f) to enter into new Leases; and (g) to do all other acts and things with respect to the Leases and Rents which Beneficiary may deem necessary or desirable to protect the security for the Obligations. Any Rents received shall be applied first to pay all Expenses and next in reduction of the other Obligations. Grantor shall pay, on demand, to Beneficiary, the amount of any deficiency between (i) the Rents received by Beneficiary, and (ii) all Expenses incurred together with interest thereon as provided in the Loan Agreement and the other Loan Documents.

Section 7.5 Taking Possession or Control of the Property.

As a matter of right without regard to the adequacy of the security, and to the extent permitted by Law without notice to Grantor, Beneficiary shall be entitled, upon application to a court of competent jurisdiction, to the immediate appointment of a receiver for all or any part of the Property and the Rents, whether such receivership may be incidental to a proposed sale of the Property or otherwise, and Grantor hereby consents to the appointment of such a receiver and

agrees that such receiver shall have all of the rights and powers granted to Beneficiary pursuant to Section 7.4 hereof. In addition, to the extent permitted by Law, and with or without the appointment of a receiver, or an application therefor, Beneficiary may (a) enter upon, and take possession of (and Grantor shall surrender actual possession of), the Property or any part thereof, without notice to Grantor and without bringing any legal action or proceeding, or, if necessary by force, legal proceedings, ejectment or otherwise, and (b) remove and exclude Grantor and its agents and employees therefrom.

Section 7.6 Management of the Property.

Upon obtaining possession of the Property or upon the appointment of a receiver as described in Section 7.5 hereof, Beneficiary, Trustee or the receiver, as the case may be, may, at its sole option, (a) make all necessary or proper repairs and Additions to or upon the Property, (b) operate, maintain, control, make secure and preserve the Property, and (c) complete the construction of any unfinished Improvements on the Property and, in connection therewith, continue any and all outstanding contracts for the erection and completion of such Improvements and make and enter into any further contracts which may be necessary, either in their or its own name or in the name of Grantor (the costs of completing such Improvements shall be Expenses secured by this Deed of Trust and shall accrue interest as provided in the Loan Agreement and the other Loan Documents). Beneficiary, Trustee or such receiver shall be under no liability for, or by reason of, any such taking of possession, entry, holding, removal, maintaining, operation or management, except for gross negligence or willful misconduct. The exercise of the remedies provided in this Section shall not cure or waive any Event of Default, and the enforcement of such remedies, once commenced, shall continue for so long as Beneficiary shall elect, notwithstanding the fact that the exercise of such remedies may have, for a time, cured the original Event of Default.

Section 7.7 Uniform Commercial Code.

Beneficiary may proceed under the Uniform Commercial Code as to all or any part of the Personalty, and in conjunction therewith may exercise all of the rights, remedies and powers of a secured creditor under the Uniform Commercial Code. Upon the occurrence of any Event of Default, Grantor shall assemble all of the Accessories and make the same available within the Improvements. Any notification required by the Uniform Commercial Code shall be deemed reasonably and properly given if sent in accordance with the Notice provisions of this Deed of Trust at least ten (10) days before any sale or other disposition of the Personalty. Disposition of the Personalty shall be deemed commercially reasonable if made pursuant to a public sale advertised at least twice in a newspaper of general circulation in the community where the Property is located. It shall be deemed commercially reasonable for the Trustee to dispose of the Personalty without giving any warranties as to the Personalty and specifically disclaiming all disposition warranties. Alternatively, Beneficiary may choose to dispose of some or all of the Property, in any combination consisting of both Personalty and Real Property, in one sale to be held in accordance with the Law and procedures applicable to real property, as permitted by Article 9 of the Uniform Commercial Code. Grantor agrees that such a sale of Personalty together with Real Property constitutes a commercially reasonable sale of the Personalty.

Section 7.8 Application of Proceeds.

Unless otherwise provided by applicable Law, all proceeds from the sale of the Property or any part thereof pursuant to the rights and remedies set forth in this Article VII and any other proceeds received by Beneficiary from the exercise of any of its other rights and remedies hereunder or under the other Loan Documents shall be applied first to pay all Expenses and next in reduction of the other Obligations, in such manner and order as Beneficiary may elect.

Section 7.9 Other Remedies.

Beneficiary shall have the right from time to time to protect, exercise and enforce any legal or equitable remedy against Grantor provided under the Loan Documents or by applicable Laws.

**ARTICLE VIII
TRUSTEE**

Section 8.1 Liability of Trustee.

Trustee shall have no liability or responsibility for, and make no warranties in connection with, the validity or enforceability of any of the Loan Documents or the description, value or status of title to the Property. Trustee shall be protected in acting upon any notice, request, consent, demand, statement, note or other paper or document believed by Trustee to be genuine and to have been signed by the party or parties purporting to sign the same. Trustee shall not be liable for any error of judgment, nor for any act done or step taken or omitted, nor for any mistakes of law or fact, nor for anything which Trustee may do or refrain from doing in good faith, nor generally shall Trustee have any accountability hereunder except for its willful misconduct or gross negligence. The powers and duties of Trustee hereunder may be exercised through such attorneys, agents or servants as Trustee may appoint, and Trustee shall have no liability or responsibility for any act, failure to act, negligence or willful misconduct of such attorney, agent or servant, so long as the selection was made with reasonable care. In addition, Trustee may consult with legal counsel selected by Trustee, and Trustee shall have no liability or responsibility by reason of any act or failure to act in accordance with the opinions of such counsel. Trustee may act hereunder and may sell or otherwise dispose of the Property or any part thereof as herein provided, although Trustee has been, may now be or may hereafter be, an attorney, officer, agent or employee of Beneficiary, in respect of any matter or business whatsoever. Trustee, however, shall have no obligation to sell all or any part of the Property following an Event of Default or to take any other action authorized to be taken by Trustee hereunder except upon the demand of Beneficiary.

Section 8.2 Indemnification of Trustee.

Grantor agrees to indemnify Trustee and to hold Trustee harmless for, from and against any and all Claims and Expenses directly or indirectly arising out of or resulting from any transaction, act, omission, event or circumstance in any way connected with the Property or the Loan, including but not limited to any Claim arising out of or resulting from any assertion or allegation that Trustee is liable for any act or omission of Grantor or any other Person in

connection with the ownership, development, financing, operation or sale of the Property; provided, however, that Grantor shall not be obligated to indemnify Trustee with respect to any Claim arising solely from the gross negligence or willful misconduct of Trustee. The agreements and indemnifications contained in this Section shall apply to Claims arising both before and after the repayment of the Loan and shall survive the repayment of the Loan, any foreclosure or deed, conveyance or assignment in lieu thereof and any other action by Trustee to enforce the rights and remedies of Beneficiary or Trustee hereunder or under the other Loan Documents for a period of twenty-four (24) months thereafter.

Section 8.3 Substitution of Trustee; Multiple Trustees.

Beneficiary shall have, and is hereby granted with warranty of further assurances, the irrevocable power to appoint a new or replacement or substitute Trustee. Such power may be exercised at any time without notice, without cause and without specifying any reason therefor, by filing for record in the office where this Deed of Trust is recorded a Substitution of Trustee. The power of appointment of a successor Trustee may be exercised as often as and whenever Beneficiary may choose, and the exercise of the power of appointment, no matter how often, shall not be an exhaustion thereof. Upon the recordation of such Notice of Substitution of Trustee, the Trustee so appointed shall thereupon, without any further act or deed of conveyance, become fully vested with identically the same title and estate in and to the Property and with all the rights, powers, trusts and duties of its predecessor in the trust hereunder with like effect as if originally named as Trustee hereunder. Whenever in this Deed of Trust reference is made to Trustee, it shall be construed to mean each Person appointed as Trustee for the time being, whether original or successor in trust. All title, estate, rights, powers, trusts and duties granted to Trustee shall be in each Person appointed as Trustee so that any action hereunder by any Person appointed as Trustee shall for all purposes be deemed to be, and as effective as, the action of all Trustees.

**ARTICLE IX
MISCELLANEOUS**

Section 9.1 Rights, Powers and Remedies Cumulative.

Each right, power and remedy of Beneficiary or Trustee as provided for in this Deed of Trust, or in any of the other Loan Documents or now or hereafter existing by Law, shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Deed of Trust, or in any of the other Loan Documents or now or hereafter existing by Law, and the exercise or beginning of the exercise by Beneficiary or Trustee of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by Beneficiary or Trustee of any or all such other rights, powers or remedies.

Section 9.2 No Waiver by Beneficiary or Trustee.

No course of dealing or conduct by or among Beneficiary, Trustee and Grantor shall be effective to amend, modify or change any provisions of this Deed of Trust or the other Loan Documents. No failure or delay by Beneficiary or Trustee to insist upon the strict performance of any term, covenant or agreement of this Deed of Trust or of any of the other Loan Documents,

or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such term, covenant or agreement or of any such breach, or preclude Beneficiary or Trustee from exercising any such right, power or remedy at any later time or times. By accepting payment after the due date of any of the Obligations, neither Beneficiary nor Trustee shall be deemed to waive the right either to require prompt payment when due of all other Obligations, or to declare an Event of Default for failure to make prompt payment of any such other Obligations. Neither Grantor nor any other Person now or hereafter obligated for the payment of the whole or any part of the Obligations shall be relieved of such liability by reason of (a) the failure of Beneficiary to comply with any request of Grantor or of any other Person to take action to foreclose this Deed of Trust or otherwise enforce any of the provisions of this Deed of Trust, or (b) any agreement or stipulation between any subsequent owner or owners of the Property and Beneficiary, or (c) Beneficiary's extending the time of payment or modifying the terms of this Deed of Trust or any of the other Loan Documents without first having obtained the consent of Grantor or such other Person. Regardless of consideration, and without the necessity for any notice to or consent by the holder of any subordinate Lien on the Property, Beneficiary may release any Person at any time liable for any of the Obligations or any part of the security for the Obligations and may extend the time of payment or otherwise modify the terms of this Deed of Trust or any of the other Loan Documents without in any way impairing or affecting the Lien of this Deed of Trust or the priority of this Deed of Trust over any subordinate Lien. The holder of any subordinate Lien shall have no right to terminate any Lease regardless of whether or not such Lease is subordinate to this Deed of Trust. Beneficiary may resort to the security or collateral described in this Deed of Trust or any of the other Loan Documents in such order and manner as Beneficiary may elect in its sole discretion.

Section 9.3 Waivers and Agreements Regarding Remedies.

To the fullest extent Grantor may do so, Grantor hereby:

(a) agrees that it will not at any time plead, claim or take advantage of any Laws now or hereafter in force providing for any appraisal, valuation, stay, extension or redemption, and waives and releases all rights of redemption, valuation, appraisal, stay of execution, extension and notice of election to accelerate the Obligations;

(b) waives all rights to a marshalling of the assets of Grantor, including the Property, or to a sale in the inverse order of alienation in the event of a foreclosure of the Property, and agrees not to assert any right under any Law pertaining to the marshalling of assets, the sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatsoever to defeat, reduce or affect the right of Beneficiary under the terms of this Deed of Trust to a sale of the Property without any prior or different resort for collection, or the right of Beneficiary to the payment of the Obligations out of the proceeds of sale of the Property in preference to every other claimant whatsoever;

(c) waives any right to bring or utilize any defense, counterclaim or setoff, other than one which denies the existence or sufficiency of the facts upon which any foreclosure action is grounded. If any defense, counterclaim or setoff, other than one permitted by the preceding clause, is timely raised in a foreclosure action, such defense, counterclaim or setoff shall be dismissed. If such defense, counterclaim or setoff is based on a Claim which could be tried in an action for money damages, such Claim may be brought in a separate action which shall not thereafter be consolidated with the foreclosure action. The bringing of such separate action for money damages shall not be deemed to afford any grounds for staying the foreclosure action; and

(d) waives and relinquishes any and all rights and remedies which Grantor may have or be able to assert by reason of the provisions of any Laws pertaining to the rights and remedies of sureties.

Section 9.4 Successors and Assigns.

All of the grants, covenants, terms, provisions and conditions of this Deed of Trust shall run with the Land and shall apply to and bind the successors and assigns of Grantor (including any permitted subsequent owner of the Property), and inure to the benefit of Beneficiary, its successors and assigns and to the successors in trust of Trustee.

Section 9.5 No Warranty by Beneficiary or Trustee.

By inspecting the Property or by accepting or approving anything required to be observed, performed or fulfilled by Grantor or to be given to Beneficiary or Trustee pursuant to this Deed of Trust or any of the other Loan Documents, Beneficiary and Trustee shall not be deemed to have warranted or represented the condition, sufficiency, legality, effectiveness or legal effect of the same, and such acceptance or approval shall not constitute any warranty or representation with respect thereto by Beneficiary or Trustee.

Section 9.6 Amendments.

This Deed of Trust may not be modified or amended except by an agreement in writing, signed by the party against whom enforcement of the change is sought.

Section 9.7 Severability.

In the event any one or more of the provisions of this Deed of Trust or any of the other Loan Documents shall for any reason be held to be invalid, illegal or unenforceable, in whole or in part or in any other respect, or in the event any one or more of the provisions of the Loan Documents operates or would prospectively operate to invalidate this Deed of Trust or any of the other Loan Documents, then and in either of those events, at the option of Beneficiary, such provision or provisions only shall be deemed null and void and shall not affect the validity of the remaining Obligations, and the remaining provisions of the Loan Documents shall remain operative and in full force and effect and shall in no way be affected, prejudiced or disturbed thereby.

Section 9.8 Notices.

All Notices required or which any party desires to give hereunder or under any other Loan Document shall be in writing and, unless otherwise specifically provided in such other Loan Document, shall be deemed sufficiently given or furnished if delivered by personal delivery, by nationally recognized overnight courier service or by certified United States mail, postage prepaid, addressed to the party to whom directed at the applicable address specified in the Preamble to this Deed of Trust (unless changed by similar notice in writing given by the particular party whose address is to be changed) or by facsimile. Any Notice shall be deemed to have been given either at the time of personal delivery or, in the case of courier or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile, upon receipt; provided that service of a Notice required by any applicable statute shall be considered complete when the requirements of that statute are met. Notwithstanding the foregoing, no notice of change of address shall be effective except upon actual receipt. This Section shall not be construed in any way to affect or impair any waiver of notice or demand provided in this Deed of Trust or in any other Loan Document or to require giving of notice or demand to or upon any Person in any situation or for any reason.

Section 9.9 Joint and Several Liability.

If Grantor consists of two (2) or more Persons, the term "Grantor" shall also refer to all Persons signing this Deed of Trust as Grantor, and to each of them, and all of them are jointly and severally bound, obligated and liable hereunder. Trustee or Beneficiary may release, compromise, modify or settle with any of Grantor, in whole or in part, without impairing, lessening or affecting the obligations and liabilities of the others of Grantor hereunder or under the Note. Any of the acts mentioned aforesaid may be done without the approval or consent of, or notice to, any of Grantor.

Section 9.10 Rules of Construction.

The words "hereof," "herein," "hereunder," "hereto," and other words of similar import refer to this Deed of Trust in its entirety. The terms "agree" and "agreements" mean and include "covenant" and "covenants." The words "include" and "including" shall be interpreted as if followed by the words "without limitation." The headings of this Deed of Trust are for convenience of reference only and shall not be considered a part hereof and are not in any way intended to define, limit or enlarge the terms hereof. All references (a) made in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, (b) made in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well, (c) to the Loan Documents are to the same as extended, amended, restated, supplemented or otherwise modified from time to time unless expressly indicated otherwise, (d) to the Land, Improvements, Personalty, Real Property or Property shall mean all or any portion of each of the foregoing, respectively, and (e) to Articles or Sections are to the respective Articles or Sections contained in this Deed of Trust unless expressly indicated otherwise. Any term used or defined in the Uniform Commercial Code of the State, as in effect from time to time, which is not defined in this Deed of Trust shall have the meaning ascribed to that term in the Uniform Commercial Code of the State. If a term is defined in Article 9 of the

Uniform Commercial Code of the State differently than in another Article of the Uniform Commercial Code of the State, the term shall have the meaning specified in Article 9.

Section 9.11 Governing Law.

Arizona
This Deed of Trust shall be construed, governed and enforced in accordance with the Laws in effect from time to time in the State, except to the extent that the state in which the Land is located may require that its laws be applied to the creation and priority of liens, to the perfection of security interests and to any foreclosure, trustee's sale, appointment of receiver or other remedy with respect to the Land. Any procedures provided herein for such remedies shall be modified by and replaced with, where inconsistent with or required by, any procedures or requirements of the laws of the state in which the Land is located.

Section 9.12 Entire Agreement.

The Loan Documents constitute the entire understanding and agreement between Grantor and Beneficiary with respect to the transactions arising in connection with the Loan, and supersede all prior written or oral understandings and agreements between Grantor and Beneficiary with respect to the matters addressed in the Loan Documents. In particular, and without limitation, the terms of any commitment by Beneficiary to make the Loan are merged into the Loan Documents. Except as incorporated in writing into the Loan Documents, there are no representations, understandings, stipulations, agreements or promises, oral or written, with respect to the matters addressed in the Loan Documents.

Section 9.13 Deed of Trust.

This Deed of Trust secures a loan made by Lender to Grantor, some or all of the proceeds of which may be used for the purpose of constructing improvements on the Real Property. For purposes of Section 3097(j) of the California Civil Code, (a) the name and address of Lender and the name and address of Grantor, the owner of the Real Property, are set forth in the introductory paragraph of this Deed of Trust, and (b) a legal description of the Real Property is set forth in Exhibit "A" attached hereto, and the street address of the Real Property is 2700 Bayview Drive, 47601-47681 Lakeview Drive, and 2703 and 2803 Lakeview Court, Fremont, California.

IN WITNESS WHEREOF, Grantor has caused this Deed of Trust to be executed as of the day and year first written above.

GRANTOR:

O.W. COMMERCIAL, INC., a Delaware
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Vice President

STATE OF ARIZONA }
 } ss.
COUNTY OF MARICOPA }

On June 6, 2007 before me,
Kim A. Hennis, Notary Public, personally appeared
Charles Vogel, personally
known to me (or 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.

WITNESS my hand and official seal.



Signature Kim A. Hennis

My Commission Expires:

12/08/08

This area for official notarial seal.

Notary
Name: Kim A. Hennis
Notary Registration
Number: 58975

Notary
Phone: 602-468-7000
County of Principal Place of
Business: Maricopa

EXHIBIT "A"

LEGAL DESCRIPTION

All that real property situate in Alameda County, California, more particularly described as follows:

EXHIBIT "A"

PARCEL ONE:

PARCEL 2 OF PARCEL MAP NO. 5259, FILED OCTOBER 9, 1987 IN BOOK 172 OF MAPS, PAGES 26 AND 27, ALAMEDA COUNTY RECORDS.

PARCEL TWO:

AN APPURTENANT EASEMENT FOR THE BENEFIT OF PARCEL ONE HEREINABOVE FOR PRIVATE STORM DRAIN PURPOSES OVER PARCEL-1 AS SHOWN ON PARCEL MAP NO. 5259.

PARCEL THREE:

LOT 10, TRACT 5044, FILED MAY 6, 1983, IN BOOK 139 OF MAPS, PAGE 9 THROUGH 13, INCLUSIVE, ALAMEDA COUNTY RECORDS.

APNo. 519-1005-063-02

519-1010-126

519-1010-128

ATTACHMENT 5

DELAWARE DEPARTMENT OF STATE
U.C.C. FILING SECTION
FILED 11:30 AM 06/15/2007
INITIAL FILING # 2007 2445103

SRV: 070717939

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional) Mila Cruz, 602-229-5523	
B. SEND ACKNOWLEDGEMENT TO: (Name and Address) [Quarles & Brady LLP Renaissance One Two North Central Avenue Phoenix, Arizona 85004 Attention: Mila Cruz]	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (1a or 1b) - do not abbreviate or combine names				
1a. ORGANIZATION'S NAME O.W. COMMERCIAL, INC.				
OR				
1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c. MAILING ADDRESS 2555 East Camelback Road, Suite 800		CITY Phoenix	STATE AZ	POSTAL CODE 85016-9267
				COUNTRY USA
1d. TAX ID# SSN or EIN	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION corporation	1f. JURISDICTION OF ORGANIZATION Delaware	1g. ORGANIZATIONAL ID #, if any 3961023 (Delaware) ☐ NONE
2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only <u>one</u> debtor name (2a or 2b) - do not abbreviate or combine names				
2a. ORGANIZATION'S NAME				
OR				
2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c. MAILING ADDRESS		CITY	STATE	POSTAL CODE
				COUNTRY
2d. TAX ID# SSN or EIN	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any ☐ NONE
3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only <u>one</u> secured party name (3a or 3b)				
3a. ORGANIZATION'S NAME BANK OF AMERICA, N.A., a national banking association				
OR				
3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c. MAILING ADDRESS Commercial Real Estate Banking Group, AZ1-200-22-17 201 East Washington Street, Attn: N. Alonzo		CITY Phoenix	STATE AZ	POSTAL CODE 85004-2343
				COUNTRY USA
4. This FINANCING STATEMENT covers the following collateral. See Schedule "I" attached hereto and by this reference incorporated herein.				
5. ALTERNATIVE DESIGNATION (if applicable): ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING				
6. ☐ This FINANCING STATEMENT is to be filed (for record) in the REAL ESTATE RECORDS. Attach Addendum (if applicable)		7. Check to REQUEST SEARCH REPORT(s) on Debtor(s) (ADDITIONAL FEE) (optional) ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2		
8. OPTIONAL FILER REFERENCE DATA Delaware Secretary State for Fremont Tech Center, California				

FILING OFFICE COPY — UCC FINANCING STATEMENT (FORM UCC1) (REV. 05/22/02)

QBPXH\103503.00035\2099193.1

SCHEDULE "I"
(Fremont Tech Center, CA)

Financing Statement (continued)

Name of Debtor: O.W. COMMERCIAL, INC., a Delaware corporation

All of the Property (as hereinafter defined) which constitutes personal property or fixtures, all proceeds and products thereof, and all supporting obligations ancillary to or arising in any way in connection therewith, where:

"Accessories" means all fixtures, equipment, systems, machinery, furniture, furnishings, appliances, inventory, goods, building and construction materials, supplies and other articles of personal property, of every kind and character, tangible and intangible (including software embedded therein), now owned or hereafter acquired by Debtor, which are now or hereafter attached to or situated in, on or about the Land or Improvements, or used in or necessary to the complete and proper planning, development, use, occupancy or operation thereof, or acquired (whether delivered to the Land or stored elsewhere) for use or installation in or on the Land or Improvements, and all Additions to the foregoing, all of which are hereby declared to be permanent accessions to the Land.

"Accounts" means all accounts of Debtor within the meaning of the Uniform Commercial Code of the State, derived from or arising out of the use, occupancy or enjoyment of the Property or for services rendered therein or thereon.

"Additions" means any and all alterations, additions, accessions and improvements to property, substitutions therefor, and renewals and replacements thereof.

"Claim" means any liability, suit, action, claim, demand, loss, expense, penalty, fine, judgment or other cost of any kind or nature whatsoever, including fees, costs and expenses of attorneys, consultants, contractors and experts.

"Condemnation" means any taking of title to, use of, or any other interest in the Property under the exercise of the power of condemnation or eminent domain, whether temporarily or permanently, by any Governmental Authority or by any other Person acting under or for the benefit of a Governmental Authority.

"Condemnation Awards" means any and all judgments, awards of damages (including severance and consequential damages), payments, proceeds, settlements, amounts paid for a taking in lieu of Condemnation, or other compensation heretofore or hereafter made, including interest thereon, and the right to receive the same, as a result of, or in connection with, any Condemnation or threatened Condemnation.

"Contract of Sale" means any contract for the sale of all or any part of the Property or any interest therein, whether now in existence or hereafter executed.

"Design and Construction Contracts" means, collectively, (a) all contracts for services to be rendered, work to be performed or materials to be supplied in the development of the Land or the construction or repair of Improvements, including all agreements with architects, engineers or contractors for such services, work or materials; (b) all plans, drawings and specifications for the development of the Land or the construction or repair of Improvements; (c) all permits, licenses, variances and other rights or approvals issued by or obtained from any Governmental Authority or other Person in connection with the development of the Land or the construction or repair of Improvements; and (d) all amendments of or supplements to any of the foregoing.

"Governmental Authority" means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, service, district or other instrumentality of any governmental entity.

"Improvements" means all buildings, structures and other improvements now or hereafter existing, erected or placed on the Land, together with any on-site improvements and off-site improvements in any way used or to be used in connection with the use, enjoyment, occupancy or operation of the Land.

"Insurance Proceeds" means the insurance claims under and the proceeds of any and all policies of insurance covering the Property or any part thereof, including all returned and unearned premiums with respect to any insurance relating to such Property, in each case whether now or hereafter existing or arising.

"Land" means the real property described in Exhibit "A" attached hereto and made a part hereof.

"Leases" means all leases, license agreements and other occupancy or use agreements (whether oral or written), now or hereafter existing, which cover or relate to the Property or any part thereof, together with all options therefor, amendments thereto and renewals, modifications and guaranties thereof, including any cash or security deposited under the Leases to secure performance by the tenants of their obligations under the Leases, whether such cash or security is to be held until the expiration of the terms of the Leases or applied to one or more of the installments of rent coming due thereunder.

"Loan" means the loan from Beneficiary to Debtor with respect to the Land.

"Person" means an individual, a corporation, a partnership, a joint venture, a limited liability company, a trust, an unincorporated association, any Governmental Authority or any other entity.

"Personalty" means all personal property of any kind or nature whatsoever, whether tangible or intangible and whether now owned or hereafter acquired, in which Debtor now has or hereafter acquires an interest and which is used in the

construction of, or is placed upon, or is derived from or used in connection with the maintenance, use, occupancy or enjoyment of, the Property, including (a) the Accessories; (b) the Accounts; (c) all franchise, license, management or other agreements with respect to the operation of the Real Property or the business conducted therein and all general intangibles (including payment intangibles, trademarks, trade names, goodwill, software and symbols) related to the Real Property or the operation thereof; (d) all sewer and water taps, appurtenant water stock or water rights, any Type 2 nonirrigation grandfathered water rights, contractual rights to water, allocations and agreements for utilities, bonds, letters of credit, permits, certificates, licenses, guaranties, warranties, causes of action, judgments, Claims, profits, security deposits, utility deposits, and all rebates or refunds of fees, Taxes, assessments, charges or deposits paid to any Governmental Authority related to the Real Property or the operation thereof; (e) all of Debtor's rights and interests under all Swap Contracts, including all rights to the payment of money from Beneficiary under any Swap Contract and all accounts, deposit accounts and general intangibles, including payment intangibles, described in any Swap Contract; (f) all insurance policies held by Debtor with respect to the Property or Debtor's operation thereof; and (g) all money, instruments and documents (whether tangible or electronic) arising from or by virtue of any transactions related to the Property, and all deposits and deposit accounts of Debtor with Beneficiary related to the Property, including any such deposit account from which Debtor may from time to time authorize Beneficiary to debit and/or credit payments due with respect to the Loan; together with all Additions to and Proceeds of all of the foregoing.

"Proceeds," when used with respect to any of the Property, means all proceeds of such Property, including all Insurance Proceeds and all other proceeds within the meaning of that term as defined in the Uniform Commercial Code of the State.

"Property" means the Real Property and the Personalty and all other rights, interests and benefits of every kind and character which Debtor now has or hereafter acquires in, to or for the benefit of the Real Property and/or the Personalty and all other property and rights used or useful in connection therewith, including all Leases, all Rents, all Condemnation Awards, all Proceeds, and all of Debtor's right, title and interest in and to all Design and Construction Contracts, all Contracts of Sale and all Refinancing Commitments.

"Real Property" means the Land and Improvements, together with (a) all estates, title interests, title reversion rights, remainders, increases, issues, profits, rights of way or uses, additions, accretions, servitudes, strips, gaps, gores, liberties, privileges, water rights, water courses, alleys, passages, ways, vaults, licenses, tenements, franchises, hereditaments, appurtenances, easements, rights-of-way, rights of ingress or egress, parking rights, timber, crops, mineral interests and other rights, now or hereafter owned by Debtor and belonging or appertaining to the Land or Improvements; (b) all Claims whatsoever of Debtor with respect to the Land or Improvements, either in law or in equity, in possession or in expectancy; (c) all estate, right, title and interest of Debtor in and to all streets, roads and public places,

opened or proposed, now or hereafter adjoining or appertaining to the Land or Improvements; and (d) all options to purchase the Land or Improvements, or any portion thereof or interest therein, and any greater estate in the Land or Improvements, and all Additions to and Proceeds of the foregoing.

"Refinancing Commitment" means any commitment from or other agreement with any Person providing for the financing of the Property, some or all of the proceeds of which are intended to be used for the repayment of all or a portion of the Loan.

"Rents" means all of the rents, royalties, issues, profits, revenues, earnings, income and other benefits of the Property, or arising from the use or enjoyment of the Property, including all such amounts paid under or arising from any of the Leases and all fees, charges, accounts or other payments for the use or occupancy of rooms or other public facilities within the Real Property.

"State" means the state in which the Land is located.

"Swap Contract" means any agreement, whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, interest cap, collar or floor transaction, currency swap, cross-currency rate swap, swap option, currency option or any other similar transaction (including any option to enter into the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any form of master agreement published by the International Swaps and Derivatives Association, Inc., or any other master agreement, entered into between Beneficiary (or its affiliate) and Debtor (or its affiliate) in connection with the Loan, together with any related schedules and confirmations, as amended, supplemented, superseded or replaced from time to time, relating to or governing any or all of the foregoing.

"Taxes" means all taxes and assessments, whether general or special, ordinary or extraordinary, or foreseen or unforeseen, which at any time may be assessed, levied, confirmed or imposed by any Governmental Authority or any community facilities or other private district on Debtor or on any of its properties or assets or any part thereof or in respect of any of its franchises, businesses, income or profits.

The Land is all that real property situate in the County of Alameda, State of California, and more particularly described on Exhibit "A" attached hereto.

EXHIBIT "A"

LEGAL DESCRIPTION

Real property in the County of Alameda, State of California, described as follows:

PARCEL ONE:

PARCEL 2 OF PARCEL MAP NO. 5259, FILED OCTOBER 9, 1987 IN BOOK 172 OF
MAPS, PAGES 26 AND 27, ALAMEDA COUNTY RECORDS.

PARCEL TWO:

AN APPURTENANT EASEMENT FOR THE BENEFIT OF PARCEL ONE HEREINABOVE
FOR PRIVATE STORM DRAIN PURPOSES OVER PARCEL-1 AS SHOWN ON PARCEL
MAP NO. 5259.

PARCEL THREE:

LOT 10, TRACT 5044, FILED MAY 6, 1983, IN BOOK 139 OF MAPS, PAGE 9 THROUGH
13, INCLUSIVE, ALAMEDA COUNTY RECORDS.

ATTACHMENT 6

GUARANTY AGREEMENT
(Fremont Tech Center, CA)

This Guaranty Agreement (this "Guaranty") is made as of the 29th day of May, 2007 by OPUS WEST CORPORATION, a Minnesota corporation (individually and collectively, jointly and severally, "Guarantor"), in favor of BANK OF AMERICA, N.A., a national banking association ("Lender").

RECITALS

O.W. COMMERCIAL, INC., a Delaware corporation ("Borrower"), has requested that Lender make a loan (the "Loan") to Borrower evidenced by a Promissory Note of even date herewith in the original principal face amount of THIRTY ONE MILLION ONE HUNDRED SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$31,165,000.00) made by Borrower to the order of Lender (as the same may from time to time be amended, supplemented, restated or otherwise modified, the "Note"). Certain terms and conditions of the Loan are set forth in the Construction Loan Agreement of even date herewith between Borrower and Lender (as the same may from time to time be amended, supplemented, restated or otherwise modified, the "Loan Agreement"). As a condition precedent to making the Loan, Lender has required that Guarantor execute and deliver this Guaranty to Lender. Any capitalized term used and not defined in this Guaranty shall have the meaning given to such term in the Loan Agreement.

AGREEMENTS

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and in order to induce Lender to make the Loan to Borrower, Guarantor hereby guarantees to Lender the prompt and full payment and performance of the indebtedness and obligations described below in this Guaranty (collectively called the "Guaranteed Obligations"), this Guaranty being upon the following terms and conditions:

Section 1. Guaranty of Payment.

Guarantor hereby unconditionally and irrevocably guarantees to Lender the punctual payment when due, whether by lapse of time, by acceleration of maturity, or otherwise, of all principal, interest (including interest accruing after the commencement of any bankruptcy or insolvency proceeding by or against Borrower, whether or not allowed in such proceeding), prepayment premiums, fees, late charges, costs, expenses, indemnification indebtedness, and other sums of money now or hereafter due and owing, or which Borrower is obligated to pay, pursuant to the terms of the Note, the Loan Agreement, the Deed of Trust, the Environmental Agreement, any application, agreement, note or other document executed and delivered in connection with any Letter of Credit, any Swap Contract or any of the other Loan Documents or any Swap Contract, as the same may from time to time be amended, supplemented, restated or otherwise modified (collectively, the "Indebtedness"). The Indebtedness includes all costs and expenses incurred by Lender in seeking to enforce Lender's rights and remedies with respect to the Indebtedness, including court costs, costs of alternative dispute resolution and reasonable attorneys' fees, whether or not suit is filed or other proceedings are initiated thereon. This Guaranty covers the Indebtedness presently outstanding and the Indebtedness arising subsequent

to the date hereof, including all amounts advanced by Lender in stages or installments. The guaranty of Guarantor as set forth in this Section 1 is a continuing guaranty of payment and not a guaranty of collection.

Section 2. Guaranty of Performance.

(a) Guarantor also hereby unconditionally and irrevocably guarantees to Lender the complete performance when due of all other Obligations of Borrower under all of the Loan Documents, including, without limiting the generality of the foregoing, all such obligations of Borrower to:

(i) Complete the construction of the Improvements in accordance with the requirements of the Loan Agreement;

(ii) Make all deposits required under the terms of the Loan Agreement and the other Loan Documents, as and when required;

(iii) Promptly pay in full and discharge all Property Assessments (as that term is defined in the Deed of Trust) prior to the day upon which the same shall become delinquent (subject to the terms of the Deed of Trust regarding permitted contests of such Property Assessments);

(iv) Pay, at or before the times required by the Loan Documents, the premiums on all policies of insurance required to be maintained under the terms of the Loan Documents; and

(v) Duly and punctually perform and observe all other terms, covenants and conditions of the Note, the Loan Agreement, the Deed of Trust, the Environmental Agreement, any Swap Contract and all other Loan Documents.

The foregoing obligations guaranteed under this Section 2(a) are defined as the "Guaranteed Performance Obligations." The Guaranteed Performance Obligations are included as part of the Guaranteed Obligations for all purposes of this Guaranty.

(b) Upon demand by Lender following the occurrence of an Event of Default, Guarantor will cause all Improvements to be completed in accordance with the requirements of the Loan Agreement and will pay all bills in connection therewith. If Lender shall have requested Guarantor to complete or cause the completion of Construction of the Improvements or the renovation or equipping thereof, Guarantor shall be entitled to requisition and draw all of the undisbursed Loan proceeds intended to be used for the Construction of the Improvements pursuant to the Budget (but not in excess of the committed amount of the Loan), together with any deposits in the Borrower's Deposit Account made with respect to the Construction of the Improvements. Lender shall disburse such funds for the purpose of, and to the extent necessary for, completing the Construction of the Improvements in accordance with the Budget, provided that:

(i) Guarantor shall be performing the Guaranteed Performance Obligations or causing the performance of the same with due diligence;

(ii) Guarantor shall have made all required deposits into the Borrower's Deposit Account and all other deposits required under the Loan Agreement;

(iii) All such disbursements of Loan proceeds to Guarantor shall be secured by the Deed of Trust and any other collateral or security for the Loan with the same priority as all previous advances of Loan proceeds to Borrower;

(iv) Guarantor shall have cured all monetary and non-monetary Defaults and Events of Default under the Loan, provided that Guarantor shall not be required to cure any non-monetary Default or Event of Default which is personal to Borrower and therefore not susceptible to cure by Guarantor; and

(v) Guarantor shall otherwise comply with the provisions of the Loan Agreement governing draw requests and disbursement of the Loan.

(c) The liability and obligations under this Section 2 shall not be limited or restricted by the existence of, or any terms of, the guaranty of payment under Section 1.

Section 3. Primary Liability of Guarantor; Environmental Obligations.

(a) This Guaranty is an absolute, irrevocable and unconditional guaranty of payment and performance, and Guarantor shall be liable for the payment and performance of the Guaranteed Obligations as a primary obligor. This Guaranty shall be effective as a waiver of, and Guarantor hereby expressly waives, any right to which Guarantor may otherwise have been entitled, whether existing under statute, at Law or in equity, to require Lender to take prior recourse or proceedings against any collateral, security or Person. It shall not be necessary for Lender, in order to enforce such payment or performance by Guarantor, first to institute suit or pursue or exhaust any rights or remedies against Borrower or other Person liable on such indebtedness or for such performance, or to enforce any rights against any security given to secure such indebtedness or performance, or to join Borrower or any other Person liable for the payment or performance of the Guaranteed Obligations or any part thereof in any action to enforce this Guaranty, or to resort to any other means of obtaining payment or performance of the Guaranteed Obligations; provided, however, that nothing herein contained shall prevent Lender from foreclosing the Deed of Trust or exercising any other right under the Loan Documents.

(b) Suit may be brought or demand may be made against Borrower or against any or all parties who have signed this Guaranty or any other guaranty covering all or any part of the Guaranteed Obligations, or against any one or more of them, separately or together, without impairing the rights of Lender against any party hereto.

(c) The liability of Guarantor or any other Person hereunder for Guaranteed Obligations arising out of or related to the Environmental Agreement shall not be limited or affected in any way by any provision in this Guaranty, the other Loan Documents or applicable Law limiting the liability of Borrower, Guarantor or such other Person, or Lender's recourse or rights to a deficiency judgment.

Section 4. Certain Agreements and Waivers by Guarantor.

(a) Guarantor agrees that neither Lender's rights or remedies nor Guarantor's obligations under the terms of this Guaranty shall be released, diminished, impaired, reduced or affected by any one or more of the following events, actions, facts, or circumstances, Guarantor waives any rights, claims or defenses arising from any such events, actions, facts, or circumstances, and the liability of Guarantor under this Guaranty shall be absolute, unconditional and irrevocable irrespective of:

(i) any limitation on the liability of, or recourse against, any other Person in any Loan Document or arising under any Law;

(ii) any claim or defense that this Guaranty was made without consideration or is not supported by adequate consideration or that the obligations of Guarantor hereunder exceed or are more burdensome than those of Borrower under the other Loan Documents;

(iii) the taking or accepting of any other security or guaranty for, or right of recourse with respect to, any or all of the Guaranteed Obligations;

(iv) the operation of any statutes of limitation or other Laws regarding the limitation of actions, all of which are hereby waived as a defense to any action or proceeding brought by Lender against Guarantor, to the fullest extent permitted by Law;

(v) any homestead exemption or any other exemption under applicable Law;

(vi) any release, surrender, abandonment, exchange, alteration, sale or other disposition, subordination, deterioration, waste, failure to protect or preserve, impairment, or loss of, or any failure to create or perfect any lien or security interest with respect to, or any other dealings with, any collateral or security at any time existing or purported, believed or expected to exist in connection with any or all of the Guaranteed Obligations, or any impairment of Guarantor's recourse against any Person or collateral;

(vii) whether express or by operation of Law, any partial release of the liability of Guarantor hereunder (except to the extent

expressly so released) or any complete or partial release of Borrower or any other Person liable, directly or indirectly, for the payment or performance of any or all of the Guaranteed Obligations;

(viii) the death, insolvency, bankruptcy, disability, dissolution, liquidation, termination, receivership, reorganization, merger, consolidation, change of form, structure or ownership, sale of all assets, or lack of corporate, partnership or other power of Borrower or any other Person at any time liable for the payment or performance of any or all of the Guaranteed Obligations;

(ix) either with or without notice to or consent of Guarantor, any renewal, extension, modification, supplement, subordination or rearrangement of the terms of any or all of the Guaranteed Obligations and/or any of the Loan Documents, including material alterations of the terms of payment (including changes in maturity date(s) and interest rate(s)) or performance (including changes with respect to the construction of the Improvements) or any other terms thereof, or any waiver, termination, or release of, or consent to departure from, any of the Loan Documents or any other guaranty of any or all of the Guaranteed Obligations, or any adjustment, indulgence, forbearance, or compromise that may be granted from time to time by Lender to Borrower or any other Person at any time liable for the payment or performance of any or all of the Guaranteed Obligations;

(x) any neglect, lack of diligence, delay, omission, failure, or refusal of Lender to take or prosecute (or in taking or prosecuting) any action for the collection or enforcement of any of the Guaranteed Obligations, or to foreclose or take or prosecute any action to foreclose (or in foreclosing or taking or prosecuting any action to foreclose) upon any security therefor, or to exercise (or in exercising) any other right or power with respect to any security therefor, or to take or prosecute (or in taking or prosecuting) any action in connection with any Loan Document, or any failure to sell or otherwise dispose of in a commercially reasonable manner any collateral securing any or all of the Guaranteed Obligations;

(xi) any failure of Lender to notify Guarantor of any creation, renewal, extension, rearrangement, modification, supplement, subordination, or assignment of the Guaranteed Obligations or any part thereof, or of any Loan Document, or of any release of or change in any security, or of the occurrence or existence of any Default or Event of Default, or of any other action

taken or refrained from being taken by Lender against Borrower or any security or other recourse, or of any new agreement between Lender and Borrower, it being understood that Lender shall not be required to give Guarantor any notice of any kind under any circumstances with respect to or in connection with the Guaranteed Obligations, any and all rights to notice Guarantor may have otherwise had being hereby waived by Guarantor, and Guarantor shall be responsible for obtaining for itself information regarding Borrower, and any collateral, including any changes in the business or financial condition of Borrower or any collateral, and Guarantor acknowledges and agrees that Lender shall have no duty to notify Guarantor of any information which Lender may have concerning Borrower or any collateral;

(xii) the existence of any claim, counterclaim, set-off or other right that Guarantor may at any time have against Borrower, Lender, or any other Person, whether or not arising in connection with this Guaranty, the Note, the Loan Agreement, the Environmental Agreement or any other Loan Document;

(xiii) the unenforceability of all or any part of the Guaranteed Obligations against Borrower, whether because the Guaranteed Obligations exceed the amount permitted by Law or violate any usury law, or because the Persons creating the Guaranteed Obligations acted in excess of their authority, or because of a lack of validity or enforceability of or defect or deficiency in any of the Loan Documents, or because Borrower has any valid defense, claim or offset with respect thereto, or because Borrower's obligation ceases to exist by operation of Law, or because of any other reason or circumstance, it being agreed that Guarantor shall remain liable hereon regardless of whether Borrower or any other Person be found not liable on the Guaranteed Obligations, or any part thereof, for any reason (and regardless of any joinder of Borrower or any other party in any action to obtain payment or performance of any or all of the Guaranteed Obligations);

(xiv) any order, ruling or plan of reorganization emanating from proceedings under Title 11 of the United States Code with respect to Borrower or any other Person, including any extension, reduction, composition, or other alteration of the Guaranteed Obligations, whether or not consented to by Lender, or any action taken or omitted by Lender in any such proceedings, including any election to have Lender's claim allowed as being secured, partially secured or unsecured, any extension of credit by Lender in any such proceedings or the taking and holding by Lender of any security for any such extension of credit;

(xv) any other condition, event, omission, action that would in the absence of this paragraph result in the release or discharge of the Guarantor from the performance or observance of any obligation, covenant or agreement contained in this Guaranty or any other agreement;

(xvi) any early termination of any of the Guaranteed Obligations;

(xvii) Lender's enforcement or forbearance from enforcement of the Guaranteed Obligations on a net or gross basis; or

(xviii) any liability, irregularity or unenforceability in whole or in part (including with respect to any netting provision) of any Swap Contract or any confirmation, instrument or agreement required thereunder or related thereto, or any transaction entered into thereunder, or any limitation on the liability of Borrower thereunder or any limitation on the method or terms of payment thereunder which may now or hereafter be caused or imposed in any manner whatsoever.

(b) In the event any payment by Borrower or any other Person to Lender is held to constitute a preference, fraudulent transfer or other voidable payment under any bankruptcy, insolvency or similar Law, or if for any other reason Lender is required to refund such payment or pay the amount thereof to any other party, such payment by Borrower or any other party to Lender shall not constitute a release of Guarantor from any liability hereunder, and this Guaranty shall continue to be effective or shall be reinstated (notwithstanding any prior release, surrender or discharge by Lender of this Guaranty or of Guarantor), as the case may be, with respect to, and this Guaranty shall apply to, any and all amounts so refunded by Lender or paid by Lender to another Person (which amounts shall constitute part of the Guaranteed Obligations), and any interest paid by Lender and any attorneys' fees, costs and expenses paid or incurred by Lender in connection with any such event.

(c) It is the intent of Guarantor and Lender that the obligations and liabilities of Guarantor hereunder are absolute, irrevocable and unconditional under any and all circumstances and that until the Guaranteed Obligations are fully and finally paid and performed, and not subject to refund or disgorgement, the obligations and liabilities of Guarantor hereunder shall not be discharged or released, in whole or in part, by any act or occurrence that might, but for the provisions of this Guaranty, be deemed a legal or equitable discharge or release of a guarantor.

(d) Guarantor's obligations shall not be affected, impaired, lessened or released by loans, credits or other financial accommodations now existing or hereafter advanced by Lender to Borrower in excess of the Guaranteed Obligations. All payments, repayments and prepayments of the Loan, whether voluntary or involuntary, received by Lender from Borrower, any other Person or any other source (other than from Guarantor pursuant to a demand by Lender hereunder), and any amounts realized from any collateral for the Loan, shall be deemed to be

applied first to any portion of the Loan which is not covered by this Guaranty, and last to the Guaranteed Obligations, and this Guaranty shall bind Guarantor to the extent of any Guaranteed Obligations that may remain owing to Lender. Lender shall have the right to apply any sums paid by Guarantor to any portion of the Loan in Lender's sole and absolute discretion.

(e) If acceleration of the time for payment of any amount payable by Borrower under the Note, the Loan Agreement, any other Loan Document or any Swap Contract is stayed or delayed by any Law or tribunal, all such amounts shall nonetheless be payable by Guarantor on demand by Lender.

(f) Guarantor further waives: (i) any defense to the recovery by Lender against Guarantor of any deficiency or otherwise to the enforcement of this Guaranty or any security for this Guaranty based upon Lender's election of any remedy against Guarantor or Borrower, including the defense to enforcement of this Guaranty (the so-called "Gradskey" defense) which, absent this waiver, Guarantor would have by virtue of an election by Lender to conduct a non-judicial foreclosure sale (also known as a "trustee's sale") of any real property security for the Indebtedness, it being understood by Guarantor that any such non-judicial foreclosure sale will destroy, by operation of California Code of Civil Procedure ("CCP") Section 580d, all rights of any party to a deficiency judgment against Borrower and, as a consequence, will destroy all rights that Guarantor would otherwise have (including the right of subrogation, the right of reimbursement, and the right of contribution) to proceed against Borrower, (ii) any defense or benefits that may be derived from CCP Sections 580a, 580b, 580d or 726, or comparable provisions of the laws of any other jurisdiction and all other anti-deficiency and one form of action defenses under the laws of California and any other jurisdiction; and (iii) any right to a fair value hearing under CCP Section 580a, or any other similar law, to determine the size of any deficiency owing (for which Guarantor would be liable hereunder) following a non-judicial foreclosure sale. Nothing in this subsection (f) shall operate to change, waive or affect the provisions of Section 19 hereof.

(g) Without limiting any other provision of this Guaranty, Guarantor waives all rights and defenses that Guarantor may have because the Guaranteed Obligations are secured by real property. This means, among other things:

(i) That Lender may collect from Guarantor without first foreclosing on any real or personal property collateral pledged by Borrower; and

(ii) If Lender forecloses on any real property collateral pledged by Borrower: (A) the amount of the Guaranteed Obligations may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price; and (B) Lender may collect from Guarantor even if Lender, by foreclosing on the real property collateral, has destroyed any right Guarantor may have to collect from Borrower.

This is an unconditional and irrevocable waiver of any rights and defenses that Guarantor may have because the Guaranteed Obligations are secured by real property. These rights and defenses include, but are not limited to, any rights or defenses based upon CCP Sections 580a, 580b, 580d, or 726.

(h) Guarantor waives all rights and defenses arising out of an election of remedies by Lender, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for the Guaranteed Obligations, has destroyed Guarantor's rights of subrogation and reimbursement against Borrower by operation of CCP Section 580d or otherwise.

(i) Guarantor waives Guarantor's rights of subrogation and reimbursement, including (i) any defenses Guarantor may have by reason of an election of remedies by Lender, and (ii) any rights or defenses Guarantor may have by reason of protection afforded to Borrower with respect to the Guaranteed Obligations pursuant to the anti-deficiency or other laws of California limiting or discharging Borrower's obligations, including CCP Sections 580a, 580b, 580d or 726.

(j) Guarantor waives notice of acceptance of this Guaranty, any rights, defenses and benefits that may be derived from Sections 2787 to 2855, inclusive, of the California Civil Code or comparable provisions of the laws of any other jurisdiction, and all other suretyship defenses Guarantor would otherwise have under the laws of California or any other jurisdiction.

(k) No provision or waiver in this Guaranty shall be construed as limiting the generality of any other provision or waiver contained in this Guaranty. All the waivers contained herein are irrevocable and unconditional and are intentionally and freely made by Guarantor.

Section 5. Subordination.

If, for any reason whatsoever, Borrower is now or hereafter becomes indebted to Guarantor:

(a) such indebtedness and all interest thereon and all liens, security interests and rights now or hereafter existing with respect to property of Borrower securing such indebtedness shall, at all times, be subordinate in all respects to the Guaranteed Obligations and to all liens, security interests and rights now or hereafter existing to secure the Guaranteed Obligations;

(b) Guarantor shall not be entitled to enforce or receive payment, directly or indirectly, of any such indebtedness of Borrower to Guarantor until the Guaranteed Obligations have been fully and finally paid and performed; provided, however, that so long as no Default shall have occurred and be continuing, Guarantor shall not be prohibited from receiving such (i) reasonable management fees or reasonable salary from Borrower as Lender may find acceptable from time to time in its sole and absolute discretion, and (ii) distributions from Borrower in an amount equal to any income taxes imposed on Guarantor which are attributable to Borrower's income from the Property;

(c) Guarantor hereby assigns and grants to Lender a security interest in all such indebtedness and security therefor, if any, of Borrower to Guarantor now

existing or hereafter arising, including any dividends and payments pursuant to debtor relief or insolvency proceedings referred to below. In the event of receivership, bankruptcy, reorganization, arrangement or other debtor relief or insolvency proceedings involving Borrower as debtor, Lender shall have the right to prove its claim in any such proceeding so as to establish its rights hereunder and shall have the right to receive directly from the receiver, trustee or other custodian (whether or not an Event of Default shall have occurred or be continuing under any of the Loan Documents), dividends and payments that are payable upon any obligation of Borrower to Guarantor now existing or hereafter arising, and to have all benefits of any security therefor, until the Guaranteed Obligations have been fully and finally paid and performed. If, notwithstanding the foregoing provisions, Guarantor should receive any payment, claim or distribution that is prohibited as provided above in this Section 5, Guarantor shall pay the same to Lender immediately, Guarantor hereby agreeing that it shall receive the payment, claim or distribution in trust for Lender and shall have absolutely no dominion over the same except to pay it immediately to Lender; and

(d) Guarantor shall promptly upon request of Lender from time to time execute such documents and perform such acts as Lender may require to evidence and perfect its interest and to permit or facilitate exercise of its rights under this Section 5, including execution and delivery of proofs of claim, further assignments and security agreements, and delivery to Lender of any promissory notes or other instruments evidencing indebtedness of Borrower to Guarantor. All promissory notes, accounts receivable ledgers or other evidences, now or hereafter held by Guarantor, of obligations of Borrower to Guarantor shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under and is subject to the terms of this Guaranty.

Section 6. Other Liability of Guarantor or Borrower.

If Guarantor is or becomes liable, by endorsement or otherwise, for any indebtedness owing by Borrower to Lender other than under this Guaranty, such liability shall not be in any manner impaired or affected hereby, and the rights of Lender hereunder shall be cumulative of any and all other rights that Lender may have against Guarantor. If Borrower is or becomes indebted to Lender for any indebtedness other than or in excess of the Guaranteed Obligations, any payment received or recovery realized upon such other indebtedness of Borrower to Lender may be applied to such other indebtedness. This Guaranty is independent of (and shall not be limited by) any other guaranty now existing or hereafter given. Further, Guarantor's liability under this Guaranty is in addition to any and all other liability Guarantor may have in any other capacity, including, if applicable, its capacity as a general partner.

Section 7. Lender Assigns; Disclosure of Information.

This Guaranty is for the benefit of Lender and Lender's successors and assigns, and in the event of an assignment of the Guaranteed Obligations, or any part thereof, the rights and benefits hereunder, to the extent applicable to the Guaranteed Obligations so assigned, may be transferred with such Guaranteed Obligations. Guarantor waives notice of any transfer or assignment of the

Guaranteed Obligations or any part thereof. Lender may sell or offer to sell the Loan or interests therein to one or more assignees or participants. Guarantor shall execute, acknowledge and deliver any and all instruments reasonably requested by Lender in connection therewith, and to the extent, if any, specified in any such assignment or participation, such assignee(s) or participant(s) shall have the same rights and benefits with respect to the Loan Documents as such Person(s) would have if such Person(s) were Lender hereunder. Lender may disclose to any such assignee or participant or prospective assignee or participant, to Lender's affiliates, including Banc of America Securities LLC, to any regulatory body having jurisdiction over Lender and to any other parties as necessary or appropriate in Lender's reasonable judgment, any information Lender now has or hereafter obtains pertaining to the Guaranteed Obligations, this Guaranty, or Guarantor, including information regarding any security for the Guaranteed Obligations or for this Guaranty, and/or credit or other information on Guarantor and/or any other Person liable, directly or indirectly, for any part of the Guaranteed Obligations.

Section 8. Binding Effect; Joint and Several Liability.

This Guaranty is binding not only on Guarantor, but also on Guarantor's heirs, personal representatives, successors and assigns. Upon the death of Guarantor, if Guarantor is a natural person, this Guaranty shall continue against Guarantor's estate as to all of the Guaranteed Obligations, including that portion incurred or arising after the death of Guarantor and shall be provable in full against Guarantor's estate, whether or not the Guaranteed Obligations are then due and payable. If this Guaranty is signed by more than one Person, then all of the obligations of Guarantor arising hereunder shall be jointly and severally binding on each of the undersigned, and their respective heirs, personal representatives, successors and assigns, and the term "Guarantor" shall mean all of such Persons and each of them individually.

Section 9. Governing Law.

The validity, enforcement, and interpretation of this Guaranty, shall for all purposes be governed by and construed in accordance with the laws of the State of Arizona (without regard to its conflicts of law principles) and applicable United States federal law, and is intended to be performed in accordance with, and only to the extent permitted by, such laws. All obligations of Guarantor hereunder are payable and performable at the place or places where the Guaranteed Obligations are payable and performable.

*includes
California
waiver*

Section 10. Invalidity of Certain Provisions.

If any provision of this Guaranty or the application thereof to any Person or circumstance shall, for any reason and to any extent, be declared to be invalid or unenforceable, neither the remaining provisions of this Guaranty nor the application of such provision to any other Person or circumstance shall be affected thereby, and the remaining provisions of this Guaranty, or the applicability of such provision to other Persons or circumstances, as applicable, shall remain in effect and be enforceable to the maximum extent permitted by applicable Law.

Section 11. Costs and Expenses of Enforcement.

Guarantor agrees to pay to Lender on demand all costs and expenses incurred by Lender in seeking to enforce Lender's rights and remedies under this Guaranty, including court costs,

costs of alternative dispute resolution, and reasonable attorneys' fees, whether or not suit is filed or other proceedings are initiated hereon. All such costs and expenses incurred by Lender shall constitute a portion of the Guaranteed Obligations hereunder, shall be subject to the provisions hereof with respect to the Guaranteed Obligations and shall be payable by Guarantor on demand by Lender.

Section 12. No Usury.

It is not the intention of Lender or Guarantor to obligate Guarantor to pay interest in excess of that lawfully permitted to be paid by Guarantor under applicable Law. Should it be determined that any portion of the Guaranteed Obligations or any other amount payable by Guarantor under this Guaranty constitutes interest in excess of the maximum amount of interest that Guarantor, in Guarantor's capacity as guarantor, may lawfully be required to pay under applicable Law, the obligation of Guarantor to pay such interest shall automatically be limited to the payment thereof in the maximum amount so permitted under applicable Law. The provisions of this Section shall override and control all other provisions of this Guaranty and of any other agreement between Guarantor and Lender.

Section 13. Representations, Warranties, and Covenants of Guarantor.

A. Until the Guaranteed Obligations are paid and performed in full and each and every term, covenant and condition of this Guaranty is fully performed, Guarantor hereby represents, warrants, and covenants that: (a) Guarantor has a financial interest in Borrower and will derive a material and substantial benefit, directly or indirectly, from the making of the Loan to Borrower and from the making of this Guaranty by Guarantor; (b) this Guaranty is duly authorized and valid, and is binding upon and enforceable against Guarantor; (c) Guarantor is not, and the execution, delivery and performance by Guarantor of this Guaranty will not cause Guarantor to be, in violation of or in default with respect to any law or in default (or at risk of acceleration of indebtedness) under any agreement or restriction by which Guarantor is bound or affected; (d) unless Guarantor is a natural person, Guarantor is duly organized, validly existing, and in good standing under the laws of the state of its organization and has full power and authority to enter into and perform this Guaranty; (e) there is no litigation pending or, to the knowledge of Guarantor, threatened by or before any tribunal against or affecting Guarantor; (f) all financial statements and information heretofore furnished to Lender by Guarantor do, and all financial statements and information hereafter furnished to Lender by Guarantor will, fully and accurately present the condition (financial or otherwise) of Guarantor as of their dates and the results of Guarantor's operations for the periods therein specified, and, since the date of the most recent financial statements of Guarantor heretofore furnished to Lender, no material adverse change has occurred in the financial condition of Guarantor, nor, except as heretofore disclosed in writing to Lender, has Guarantor incurred any material liability, direct or indirect, fixed or contingent; (g) after giving effect to this Guaranty, Guarantor is solvent, is not engaged or about to engage in business or a transaction for which the property of Guarantor is an unreasonably small capital, and does not intend to incur or believe that it will incur debts that will be beyond its ability to pay as such debts mature; (h) Guarantor has read and fully understands the provisions contained in the Note, the Loan Agreement, the Deed of Trust, the Environmental Agreement and the other Loan Documents. Guarantor further represents, warrants and covenants that if any Swap Contract shall at any time be in effect, (x) Guarantor has received and examined

copies of each such Swap Contract, the observance and performance of which by Borrower is hereby guaranteed; (y) Guarantor will benefit from Lender's entering into each such Swap Contract and any transaction thereunder with Borrower, and Guarantor has determined that the execution and delivery by Guarantor of this Guaranty are necessary and convenient to the conduct, promotion and attainment of the business of Guarantor; and (z) Lender has no duty to determine whether any Swap Contract, or any other transaction relating to or arising under any Swap Contract, will be or has been entered into by Borrower for purposes of hedging interest rate, currency exchange rate, or other risks arising in its businesses or affairs and not for purposes of speculation, or is otherwise inappropriate for Borrower. Guarantor's representations, warranties and covenants are a material inducement to Lender to enter into the other Loan Documents and any Swap Contract and shall survive the execution hereof and any bankruptcy, foreclosure, transfer of security or other event affecting Borrower, Guarantor, any other party, or any security for all or any part of the Guaranteed Obligations.

B. Guarantor hereby agrees as follows:

(i) to maintain during the life of the Loan at the end of each fiscal quarter, unpledged cash, cash equivalents as determined by generally accepted accounting principles, and marketable securities ("Liquidity") of not less than Two Million And No/100 Dollars (\$2,000,000.00);

(ii) to maintain at the end of each fiscal quarter on a consolidated basis a Tangible Net Worth equal to at least One Hundred Million And No/100 Dollars (\$100,000,000.00). "Tangible Net Worth" means the gross book value of Guarantor's assets (excluding goodwill, patents, trademarks, trade names, organization expense, treasury stock, unamortized debt discount and expense, deferred research and development costs, deferred marketing expenses, and other like intangibles), plus debt subordinated to Lender (limited to a maximum of Thirty Million And No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form) less Total Liabilities, including but not limited to accrued and deferred income taxes, and any reserves against assets; and

(iii) to maintain at the end of each fiscal quarter on a consolidated basis a ratio of Total Liabilities to Tangible Net Worth not exceeding 6.0 to 1.0 through December 31, 2007, and 5.0 to 1.0 thereafter. "Total Liabilities" means the sum of current liabilities plus long term liabilities plus joint venture debt less debt subordinated to Lender (limited to a maximum of Thirty Million and No/100 Dollars [\$30,000,000.00]) in a manner acceptable to Lender (using Lender's standard form).

Section 14. Notices.

All notices, requests, consents, demands and other communications required or which any party desires to give hereunder or under any other Loan Document shall be in writing and, unless otherwise specifically provided in such other Loan Document, shall be deemed sufficiently given or furnished if delivered by personal delivery, by nationally recognized overnight courier service, or by certified United States mail, postage prepaid, addressed to the party to whom directed at the addresses specified in this Guaranty (unless changed by similar notice in writing given by the particular party whose address is to be changed) or by facsimile. Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, in the case of courier or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile, upon receipt; provided that service of a notice required by any applicable statute shall be considered complete when the requirements of that statute are met. Notwithstanding the foregoing, no notice of change of address shall be effective except upon actual receipt. This Section shall not be construed in any way to affect or impair any waiver of notice or demand provided in this Guaranty or in any other Loan Document or to require giving of notice or demand to or upon any Person in any situation or for any reason.

Section 15. Cumulative Rights.

All of the rights and remedies of Lender under this Guaranty and the other Loan Documents are cumulative of each other and of any and all other rights at law or in equity, and the exercise by Lender of any one or more of such rights and remedies shall not preclude the simultaneous or later exercise by Lender of any or all such other rights and remedies. No single or partial exercise of any right or remedy shall exhaust it or preclude any other or further exercise thereof, and every right and remedy may be exercised at any time and from time to time. No failure by Lender to exercise, nor delay in exercising, any right or remedy shall operate as a waiver of such right or remedy or as a waiver of any Event of Default. No notice to or demand on Guarantor in any case shall of itself entitle Guarantor to any other or further notice or demand in similar or other circumstances. No provision of this Guaranty or any right or remedy of Lender with respect hereto, or any default or breach, can be waived, nor can this Guaranty or Guarantor be released or discharged in any way or to any extent, except specifically in each case by a writing intended for that purpose (and which refers specifically to this Guaranty) executed and delivered by Lender to Guarantor.

Section 16. Term of Guaranty.

This Guaranty shall continue in effect until all the Guaranteed Obligations and all of the obligations of Guarantor to Lender under this Guaranty are fully and finally paid, performed and discharged and are not subject to any bankruptcy preference period or any other disgorgement.

Section 17. Financial Statements.

Guarantor agrees to provide to Lender, as and when required, the financial statements and other financial information required to be delivered to Lender with respect to Guarantor pursuant to the terms of the Loan Agreement and the other Loan Documents, in the form and detail

required by the Loan Documents. Guarantor also agrees to provide to Lender such other and further financial information with respect to Guarantor as Lender shall from time to time request.

Section 18. Subrogation.

Guarantor shall not have any equitable, contractual or other right of subrogation under any of the Loan Documents or any right to participate in any security for the Guaranteed Obligations or any right to reimbursement, exoneration, contribution, indemnification or any similar rights, until the Guaranteed Obligations have been fully and finally paid, performed and discharged in accordance with Section 16 above, and Guarantor hereby waives all of such rights.

Section 19. Time of Essence.

Time shall be of the essence in this Guaranty with respect to all of Guarantor's obligations hereunder.

Section 20. Entire Agreement; Counterparts; Construction.

This Guaranty embodies the entire agreement between Lender and Guarantor with respect to the guaranty by Guarantor of the Guaranteed Obligations. This Guaranty supersedes all prior agreements and understandings, if any, with respect to the guaranty by Guarantor of the Guaranteed Obligations. This Guaranty shall be effective upon execution by Guarantor and delivery to Lender. This Guaranty may not be modified, amended or superseded except in a writing signed by Lender and Guarantor referencing this Guaranty by its date and specifically identifying the portions hereof that are to be modified, amended or superseded. This Guaranty has been executed in a number of identical counterparts, each of which shall be deemed an original for all purposes and all of which constitute, collectively, one agreement. As used herein, the words "include" and "including" shall be interpreted as if followed by the words "without limitation."

Section 21. Dispute Resolution.

(a) Arbitration. Except to the extent expressly provided below, any controversy, claim or dispute between or among the parties hereto, including any such controversy, claim or dispute arising out of or relating to (i) this Guaranty, (ii) any other Loan Document, (iii) any related agreements or instruments, or (iv) the transaction contemplated herein or therein (including any claim based on or arising from an alleged personal injury or business tort) collectively, a "Dispute"), shall, upon the request of either party, be determined by binding arbitration in accordance with the Federal Arbitration Act, Title 9, United States Code (or if not applicable, the applicable state law), the then-current rules for arbitration of financial services disputes of the American Arbitration Act ("AAA") and the "Special Rules" set forth below. In the event of any inconsistency, the Special Rules shall control. The filing of a court action is not intended to constitute a waiver of the right of Guarantor or Lender, including the suing party, thereafter to require submittal of the Dispute to arbitration. Any party to this Guaranty may bring an action, including a summary or expedited proceeding, to compel arbitration of any Dispute in any court having jurisdiction over such action. For the purposes of this Dispute Resolution Section only, the terms "party" and "parties" shall include any parent corporation, subsidiary or affiliate of Lender involved in the servicing, management or administration of any

obligation described in or evidenced by this Guaranty, together with the officers, employees, successors and assigns of each of the foregoing.

(b) Special Rules.

(i) The arbitration shall be conducted in any U.S. state where real or tangible personal property collateral is located, or if there is no such collateral in the City and County where Lender is located pursuant to its address for notice purposes in this Guaranty.

(ii) The arbitration shall be administered by AAA, who will appoint an arbitrator. If AAA is unwilling or unable to administer or legally precluded from administering the arbitration, or if AAA is unwilling or unable to enforce or legally precluded from enforcing any and all provisions of this Dispute Resolution Section, then any party to this Guaranty may substitute another arbitration organization that has similar procedures to AAA and that will observe and enforce any and all provisions of this Dispute Resolution Section. All Disputes shall be determined by one arbitrator; however, if the amount in controversy in a Dispute exceeds Five Million Dollars (\$5,000,000), upon the request of any party, the Dispute shall be decided by three arbitrators (for purposes of this Guaranty, referred to collectively as the "arbitrator").

(iii) All arbitration hearings will be commenced within ninety (90) days of the demand for arbitration and completed within ninety (90) days from the date of commencement; provided, however, that upon a showing of good cause, the arbitrator shall be permitted to extend the commencement of such hearing for up to an additional sixty (60) days.

(iv) The judgment and the award, if any, of the arbitrator shall be issued within thirty (30) days of the close of the hearing. The arbitrator shall provide a concise written statement setting forth the reasons for the judgment and for the award, if any. The arbitration award, if any, may be submitted to any court having jurisdiction to be confirmed and enforced, and such confirmation and enforcement shall not be subject to arbitration.

(v) The arbitrator will give effect to statutes of limitations and any waivers thereof in determining the disposition of any Dispute and may dismiss one or more claims in the arbitration on the basis that such claim or claims is or are barred. For purposes of the application of the statute of limitations, the service on AAA under applicable AAA rules of a notice of Dispute is the equivalent of the filing of a lawsuit.

(vi) Any dispute concerning this arbitration provision, including any such dispute as to the validity or enforceability of this provision, or whether a Dispute is arbitrable, shall be determined by the arbitrator; provided, however, that the arbitrator shall not be permitted to vary the express provisions of these Special Rules or the Reservations of Rights in subsection (d) below.

(vii) The arbitrator shall have the power to award legal fees and costs pursuant to the terms of this Guaranty.

(viii) The arbitration will take place on an individual basis without reference to, resort to, or consideration of any form of class or class action.

(c) Judicial Reference. If the Dispute arises from or relates to an obligation to Lender secured by real property located in the State of California, unless both Guarantor and Lender consent to submission of the Dispute to arbitration to be conducted as provided in subsections (a) and (b) above, the Dispute shall be resolved by judicial reference pursuant to CCP Sections 638, et seq. This provision constitutes a reference agreement between or among the parties as provided in CCP Section 638. The referee(s) shall be chosen by the parties under the auspices of AAA in the same manner as arbitrators are selected in proceedings administered under the AAA rules and procedures for the arbitration of financial services disputes. The referee (or the presiding referee of the panel) must be an active attorney or a retired judge. The award that results from the decision of the referee(s) shall be entered as a judgment in the court that appointed the referee, in accordance with the provisions of CCP Sections 644 and 645.

(d) Reservations of Rights. Nothing in this Guaranty shall be deemed to (i) limit the applicability of any otherwise applicable statutes of limitation and any waivers contained in this Guaranty, or (ii) apply to or limit the right of Lender (A) to exercise self help remedies such as (but not limited to) setoff, or (B) to foreclose judicially or nonjudicially against any real or personal property collateral, or to exercise judicial or nonjudicial power of sale of rights, (C) to obtain from a court provisional or ancillary remedies such as (but not limited to) injunctive relief, writ of possession, prejudgment attachment, or the appointment of a receiver, or (D) to pursue rights against a party to this Guaranty in a third-party proceeding in any action brought against Lender in a state, federal or international court, tribunal or hearing body (including actions in specialty courts, such as bankruptcy and patent courts). Lender may exercise the rights set forth in clauses (A) through (D), inclusive, before, during or after the pendency of any arbitration or judicial reference proceeding brought pursuant to this Guaranty. Neither the exercise of self help remedies nor the institution or maintenance of an action for foreclosure or provisional or ancillary remedies shall constitute a waiver of the right of any party, including the claimant in any such action, to arbitrate, or submit to judicial reference, the merits of the Dispute occasioning resort to such remedies. No provision in the Loan Documents regarding submission to jurisdiction and/or venue in any court is intended or shall be construed to be in derogation of the provisions in any Loan Document for arbitration or judicial reference of any Dispute.

(e) Conflicting Provisions for Dispute Resolution. If there is any conflict between the terms, conditions and provisions of this Section and those of any other provision or agreement for arbitration, judicial reference or dispute resolution, the terms, conditions and provisions of this Section shall prevail as to any Dispute arising out of or relating to (i) this Guaranty, (ii) any other Loan Document, (iii) any related agreements or instruments, or (iv) the transaction contemplated herein or therein (including any claim based on or arising from an alleged personal injury or business tort). In any other situation, if the resolution of a given Dispute is specifically governed by another provision or agreement for arbitration, judicial reference or other dispute resolution, the other provision or agreement shall prevail with respect to said Dispute.

(f) Jury Trial Waiver in Arbitration. By agreeing to this Section, the parties irrevocably and voluntarily waive any right they may have to a trial by jury in respect of any Dispute.

Section 22. Forum.

Guarantor hereby irrevocably submits generally and unconditionally for itself and in respect of its property to the jurisdiction of any state court or any United States federal court sitting in the State specified in the governing law section of this Guaranty and to the jurisdiction of any state court or any United States federal court sitting in the state in which any of the Property is located, over any Dispute. Guarantor hereby irrevocably waives, to the fullest extent permitted by Law, any objection that Guarantor may now or hereafter have to the laying of venue in any such court and any claim that any such court is an inconvenient forum. Guarantor hereby agrees and consents that, in addition to any methods of service of process provided for under applicable law, all service of process in any such suit, action or proceeding in any state court or any United States federal court sitting in the state specified in the governing law section of this Guaranty may be made by certified or registered mail, return receipt requested, directed to Guarantor at its address for notice set forth in this Guaranty, or at a subsequent address of which Lender received actual notice from Guarantor in accordance with the notice section of this Guaranty, and service so made shall be complete five (5) days after the same shall have been so mailed. Nothing herein shall affect the right of Lender to serve process in any manner permitted by Law or limit the right of Lender to bring proceedings against Guarantor in any other court or jurisdiction.

Section 23. WAIVER OF JURY TRIAL.

WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO RESOLVE ANY "DISPUTE" (FOR PURPOSES OF THIS SECTION, AS DEFINED ABOVE), BY JUDICIAL REFERENCE OR ARBITRATION AS SET FORTH IN THIS GUARANTY, GUARANTOR AND LENDER WAIVE TRIAL BY JURY IN RESPECT OF ANY SUCH "DISPUTE" AND ANY ACTION ON SUCH "DISPUTE." THIS WAIVER SHALL APPLY TO THE EXTENT ANY "DISPUTE" IS NOT SUBMITTED TO JUDICIAL REFERENCE OR ARBITRATION, OR IS DEEMED BY THE ARBITRATOR, REFEREE OR ANY COURT WITH JURISDICTION TO BE NOT REQUIRED TO BE DETERMINED BY JUDICIAL REFERENCE OR ARBITRATION, OR NOT SUSCEPTIBLE OF BEING SO DETERMINED. THIS

WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY GUARANTOR AND LENDER, AND GUARANTOR AND LENDER HEREBY REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY PERSON OR ENTITY TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THE LOAN DOCUMENTS. GUARANTOR AND LENDER ARE EACH HEREBY AUTHORIZED TO FILE A COPY OF THIS SECTION IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER OF JURY TRIAL. GUARANTOR FURTHER REPRESENTS AND WARRANTS THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS GUARANTY AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL, OR HAS HAD THE OPPORTUNITY TO BE REPRESENTED BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IT HAS HAD THE OPPORTUNITY TO DISCUSS THIS WAIVER WITH COUNSEL.

IN WITNESS WHEREOF, Guarantor has duly executed this Guaranty as of the date first written above.

Address of Guarantor:

2555 East Camelback Road, Suite 800
Phoenix, Arizona 85016-9267

GUARANTOR:

OPUS WEST CORPORATION, a Minnesota
corporation

By: Charles Vogel
Name: Charles Vogel
Title: Senior Vice President

Address of Lender:

Bank of America, N.A.
Commercial Real Estate Banking
Group, AZ1-200-22-17
201 East Washington Street, 22nd Floor
Phoenix, Arizona 85004-2343
Attention: N. Alonzo

ATTACHMENT 7



One Renaissance Square
Two North Central Avenue
Phoenix, Arizona 85004-2391
Tel 602.229.5200
Fax 602.229.5690
www.quarles.com

Attorneys at Law in:
Phoenix and Tucson, Arizona
Naples, Florida
Chicago, Illinois
Milwaukee and Madison, Wisconsin

April 9, 2009

NOTICE OF DEFAULT

VIA UPS OVERNIGHT

O.W. Commercial, Inc.
2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Senior Vice President, Real Estate Finance and Sales

Opus West Corporation
2555 East Camelback Road, Suite 800
Phoenix, Arizona 85016-9267

**RE: *\$31,165,000.00 Loan (the "Loan") made by Bank of America, N.A.,
a national banking association ("Lender") to O.W. Commercial,
Inc., a Delaware corporation ("Borrower"); Fremont Tech***

Ladies and Gentlemen:

The purpose of this letter is to provide you with notice of the occurrence of an Event of Default (hereinafter, the "Event of Default") under Section 6.2 of the Construction Loan Agreement dated May 29, 2007 between Borrower and Lender (as amended, supplemented, or modified from time to time, the "Loan Agreement"), and under the Section 7(b) of the Promissory Note of even date therewith, made by Borrower and delivered to Lender (the "Note"). The Loan Agreement, Note, and all other agreements, documents and instruments evidencing, securing or otherwise relating to the Loan are sometimes referred to individually and collectively herein as the "Loan Documents". Borrower has informed Lender that, for the fiscal quarter ended December 31, 2008, Opus West Corporation ("Guarantor") will fail to satisfy the Total Liabilities to Tangible Net Worth requirement of not exceeding 6.0 to 1.0 on a consolidated basis as required under Section 13(B)(iii) of that certain instrument entitled Guaranty Agreement dated May 29, 2007 (as amended, supplemented, or modified from time to time, the "Guaranty"). Guarantor's failure to meet the requirements of Section 13(B)(iii) of the Guaranty constitutes an immediate Event of Default under Section 6.2 of the Loan Agreement.

Notwithstanding the existence of the Event of Default, or any additional defaults that may arise under the Loan Documents, Lender reserves the right to elect whether or not to fund any presently pending or future draw requests during the existence

O.W. Commercial, Inc.
Opus West Corporation
April 9, 2009
Page 2

of any default or Event of Default. To the extent Lender elects to fund any such draw request, neither such election nor the actual funding thereof does or shall: constitute a commitment to lend or to modify the Loan; constitute an offer to extend credit or modify the existing Loan terms; constitute a waiver by Lender of the Event of Default or performance or cure of the Event of Default by Borrower; constitute an amendment of any term or condition of any Loan Document; create an obligation of Lender to agree to, or to negotiate or consider an agreement to, any waiver of any obligation or default by Borrower under any Loan; or directly or indirectly impair or otherwise affect any of Lender's rights, interests or remedies with respect to the Loan.

Lender hereby also reserves the right to accept payments made after the date of this letter even though such payments are not offered as, or are insufficient to, cure the Event of Default described herein or reinstate the Loan pursuant to the provisions of the law governing the jurisdiction in which the project is located. Lender may apply such payments in the order provided in the Loan Agreement or other Loan Documents.

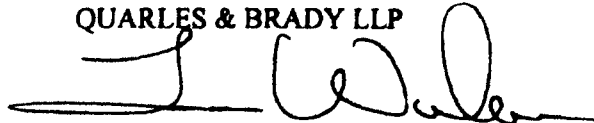
As a result of the Event of Default: (i) Lender is entitled to the exercise of its rights and remedies under the Loan Documents, at law and in equity, including, without limitation, acceleration of the indebtedness due under the Loan Documents and the imposition charges recoverable as a consequence of the Event of Default (including attorneys' fees and costs); and (ii) Lender is entitled to enforce its rights and remedies relating to its collateral, including, without limitation, appointment of receiver and foreclosure.

Nothing in this letter or in Lender's application of such payments is or shall be deemed to be a waiver, election or estoppel of any rights, remedies, defenses and objections available to Lender and its affiliated entities under the Loan Agreement and related Loan Documents under applicable laws and in equity in connection with any default by Borrower, and Lender expressly reserves all such rights, remedies, defenses and objections, including with respect to any defaults now or hereafter in existence, whether known or unknown, to Lender, that are not referenced in this letter.

Please give this matter your immediate attention.

Very truly yours,

QUARLES & BRADY LLP

A handwritten signature in black ink, appearing to read 'Lori L. Winkelman', is written over the printed name.

Lori L. Winkelman

O.W. Commercial, Inc.
Opus West Corporation
April 9, 2009
Page 3

cc: Casey Carpenter, Bank of America
Daniel Denton, Esq., Bank of America
Brian Sirower, Esq.

VIA UPS OVERNIGHT

O.W. Commercial, Inc.
2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Legal Department

VIA UPS OVERNIGHT

Luce, Forward, Hamilton & Scripps LLP
600 West Broadway, Suite 2600
San Diego, California 92101
Attn: David M. Hymer, Esq.



One Renaissance Square
Two North Central Avenue
Phoenix, Arizona 85004-2391
Tel 602.229.5200
Fax 602.229.5690
www.quarles.com

Attorneys at Law in:
Phoenix and Tucson, Arizona
Naples, Florida
Chicago, Illinois
Milwaukee and Madison, Wisconsin

June 3, 2009

DEFAULT NOTICE

VIA UPS OVERNIGHT

O.W. Commercial, Inc.
2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Senior Vice President, Real Estate, Finance & Sales

Opus West Corporation
2555 East Camelback Road, Suite 800
Phoenix, Arizona 85016-9267

RE: \$31,165,000.00 Loan (the "Loan") made by Bank of America, N.A., a national banking association ("Lender") to O.W. Commercial, Inc., a Delaware corporation ("Borrower"); Fremont Tech Center, CA

Ladies and Gentlemen:

The purpose of this letter is to provide you with notice of the occurrence of a default (hereinafter, the "Default") under Section 1 of the Promissory Note dated May 29, 2007 between Borrower and Lender (as modified or amended from time to time, the "Note"). The Note and all other agreements, documents and instruments evidencing, securing or otherwise relating to the Loan are sometimes referred to individually and collectively herein as the "Loan Documents." The Loan is fully matured and all amounts due in connection with the Loan are fully due and payable. Borrower is in Default as the result of, among other things, Borrower's failure to pay the full amount of principal and interest due and owing on the Maturity Date (as defined in the Note). Late charges (as described in and calculated according to Section 5 of the Note) will continue to apply to the amounts as stated in the 4/13/09 Acceleration Notice (defined below). Interest at the Past Due Rate (provided in and calculated according to Section 3.7 of the Note) commenced and is accruing from and after the Acceleration Date (defined below) on any amounts outstanding as of such date.

By letter dated May 5, 2009 ("5/5/09 Acceleration Notice"), and on May 5, 2009 ("Acceleration Date"), Lender exercised its rights and remedies, at law and in equity, against Borrower and the collateral, and declared the Obligations, as defined in the Loan Documents, to be immediately due and payable, based on a Specified Event of Default as defined in the Acceleration Notice. A copy of the 5/5/09 Acceleration Notice is attached hereto.

O.W. Commercial, Inc.
June 3, 2009
Page 2

Lender hereby reserves the right to accept payments made after the date of this letter even though such payments are not offered as, or are insufficient to, cure the Default described herein or reinstate the Loan pursuant to the provisions of the law governing the jurisdiction in which the project is located. Lender may apply such payments in the order provided in the Note or other Loan Documents.

As a result of the Default, and the Specified Event of Default as set forth in the Acceleration Notice, Lender is entitled to exercise its rights and remedies under the Loan Documents, at law and in equity, including, without limitation, the imposition of other charges recoverable as a consequence of the Default (including attorneys' fees and costs) and the Specified Event of Default, and Lender is entitled to enforce its rights and remedies relating to its collateral, including, without limitation, appointment of receiver and foreclosure.

Nothing in this letter or in Lender's application of such payments is or shall be deemed to be a waiver, election or estoppel of any rights, remedies, defenses and objections available to Lender and its affiliated entities under the Note and related Loan Documents and under applicable laws and in equity in connection with any default by Borrower, and Lender expressly reserves all such rights, remedies, defenses and objections, including with respect to any defaults now or hereafter in existence, whether known or unknown, to Lender, that are not referenced in this letter.

Please give this matter your immediate attention.

Very truly yours,

QUARLES & BRADY LLP



Lori L. Winkelman

cc: Casey Carpenter, Bank of America
Daniel Denton, Esq., Bank of America
Brian Sirower, Esq.

Via UPS Overnight Delivery:

O.W. Commercial, Inc.
2555 East Camelback Road, Suite 800
Phoenix, Arizona 85016-9267
Attn: Legal Department

Via UPS Overnight Delivery:

Luce, Forward, Hamilton & Scripps LLP
600 West Broadway, Suite 2600
San Diego, California 92101
Attn: David M. Hymer, Esq.

ATTACHMENT 8



One Renaissance Square
Two North Central Avenue
Phoenix, Arizona 85004-2391
Tel 602.229.5300
Fax 602.229.5690
www.quarles.com

Attorneys at Law in
Phoenix and Tucson, Arizona
Naples, Florida
Chicago, Illinois
Milwaukee and Madison, Wisconsin

May 5, 2009

ACCELERATION NOTICE

VIA UPS OVERNIGHT

O.W. Commercial, Inc.
2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Senior Vice President, Real Estate Finance and Sales

Opus West Corporation
2555 East Camelback Road, Suite 800
Phoenix, Arizona 85016-9267

**RE: \$31,165,000.00 Loan (the "Loan") made by Bank of America, N.A.,
a national banking association ("Lender") to O.W. Commercial,
Inc., a Delaware corporation ("Borrower"); Fremont Tech**

Ladies and Gentlemen:

By letter dated April 9, 2009 ("4/9/09 Default Letter"), Lender provided formal notice to Borrower that an Event of Default had occurred under the Loan Agreement and the Note. A copy of the 4/9/09 Default Letter is attached to this letter as Exhibit A and incorporated herein by this reference. Capitalized terms used in this letter without definition will have the meanings assigned thereto in the 4/9/09 Default Letter.

The Event of Default identified in the 4/9/09 Default Letter continues to exist (the "Specified Event of Default"). As a result of the Specified Event of Default, Lender is entitled to exercise its rights and remedies, at law and in equity, against Borrower and the collateral and, accordingly, Lender hereby declares the Obligations, as defined in the Loan Agreement, to be immediately due and payable in full accordance with Section 7.1(b) of the Loan Agreement. Interest and other fees and charges (including without limitation attorneys' fees) continue to accrue as provided in the Loan Agreement and other Loan Documents. In order to obtain the full payoff amount as of any particular business day, please contact the undersigned.

Lender hereby demands that Borrower immediately pay all of the Obligations owing as described above, with all additional interest and other amounts that will accrue until payment in full is received by Lender. Payment in full of the

O.W. Commercial, Inc.
Opus West Corporation
May 5, 2009
Page 2

Obligations must be made in readily available funds delivered to my attention. Wire transfer instructions are available upon request to the undersigned. If full payment of the Obligations is not received immediately, Lender may exercise all rights and remedies under the terms of the Loan Agreement and other Loan Documents.

Notwithstanding the existence of the Specified Event of Default, or any additional defaults that may arise under the Loan Documents, Lender reserves the right to elect whether or not to fund any presently pending or future draw requests during the existence of any default or Event of Default. To the extent Lender elects to fund any such draw request, neither such election nor the actual funding thereof does or shall: constitute a commitment to lend or to modify the Loan; constitute an offer to extend credit or modify the existing Loan terms; constitute a waiver by Lender of the Specified Event of Default or performance or cure of the Specified Event of Default by Borrower; constitute an amendment of any term or condition of any Loan Document; create an obligation of Lender to agree to, or to negotiate or consider an agreement to, any waiver of any obligation or default by Borrower under any Loan; or directly or indirectly impair or otherwise affect any of Lender's rights, interests or remedies with respect to the Loan.

Lender hereby also reserves the right to accept payments made after the date of this letter even though such payments are not offered as, or are insufficient to, cure the Event of Default described herein or reinstate the Loan pursuant to the provisions of the law governing the jurisdiction in which the project is located. Lender may apply such payments in the order provided in the Loan Agreement or other Loan Documents.

As a result of the Specified Event of Default: (i) Lender is entitled to the exercise of its rights and remedies under the Loan Documents, at law and in equity, including, without limitation, the imposition of Past Due Rate interest, late charges and other charges recoverable as a consequence of the Specified Event of Default (including attorneys' fees and costs); and (ii) Lender is entitled to enforce its rights and remedies relating to its collateral, including, without limitation, appointment of receiver and foreclosure.

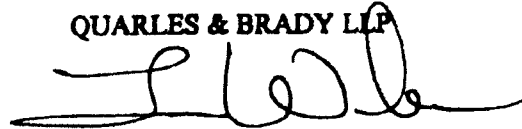
Nothing in this letter or in Lender's application of such payments is or shall be deemed to be a waiver, election or estoppel of any rights, remedies, defenses and objections available to Lender and its affiliated entities under the Loan Agreement and related Loan Documents under applicable laws and in equity in connection with any default by Borrower, and Lender expressly reserves all such rights, remedies, defenses and objections, including with respect to any defaults now or hereafter in existence, whether known or unknown, to Lender, that are not referenced in this letter.

O.W. Commercial, Inc.
Opus West Corporation
May 5, 2009
Page 3

If you have any questions or concerns, please contact the undersigned.

Very truly yours,

QUARLES & BRADY LLP



Lori L. Winkelman

cc: Casey Carpenter, Bank of America
Daniel Denton, Esq., Bank of America
Brian Sirower, Esq.

VIA UPS OVERNIGHT

O.W. Commercial, Inc.
2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Legal Department

VIA UPS OVERNIGHT

Luce, Forward, Hamilton & Scripps LLP
600 West Broadway, Suite 2600
San Diego, California 92101
Attn: David M. Hymer, Esq.

O.W. Commercial, Inc.
Opus West Corporation
May 5, 2009
Page 4

EXHIBIT A



One BankAmerica Square
Two North Central Avenue
Phoenix, Arizona 85004-2591
Tel 602.229.5200
Fax 602.229.5690
www.quarles.com

Attorneys at Law in
Phoenix and Tucson, Arizona
Naples, Florida
Chicago, Illinois
Milwaukee and Madison, Wisconsin

April 9, 2009

NOTICE OF DEFAULT

VIA UPS OVERNIGHT

O.W. Commercial, Inc.
2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Senior Vice President, Real Estate Finance and Sales

Opus West Corporation
2555 East Camelback Road, Suite 800
Phoenix, Arizona 85016-9267

**RE: \$31,165,000.00 Loan (the "Loan") made by Bank of America, N.A.,
a national banking association ("Lender") to O.W. Commercial,
Inc., a Delaware corporation ("Borrower"); Fremont Tech**

Ladies and Gentlemen:

The purpose of this letter is to provide you with notice of the occurrence of an Event of Default (hereinafter, the "Event of Default") under Section 6.2 of the Construction Loan Agreement dated May 29, 2007 between Borrower and Lender (as amended, supplemented, or modified from time to time, the "Loan Agreement"), and under the Section 7(b) of the Promissory Note of even date therewith, made by Borrower and delivered to Lender (the "Note"). The Loan Agreement, Note, and all other agreements, documents and instruments evidencing, securing or otherwise relating to the Loan are sometimes referred to individually and collectively herein as the "Loan Documents". Borrower has informed Lender that, for the fiscal quarter ended December 31, 2008, Opus West Corporation ("Guarantor") will fail to satisfy the Total Liabilities to Tangible Net Worth requirement of not exceeding 6.0 to 1.0 on a consolidated basis as required under Section 13(B)(iii) of that certain instrument entitled Guaranty Agreement dated May 29, 2007 (as amended, supplemented, or modified from time to time, the "Guaranty"). Guarantor's failure to meet the requirements of Section 13(B)(iii) of the Guaranty constitutes an immediate Event of Default under Section 6.2 of the Loan Agreement.

Notwithstanding the existence of the Event of Default, or any additional defaults that may arise under the Loan Documents, Lender reserves the right to elect whether or not to fund any presently pending or future draw requests during the existence

O.W. Commercial, Inc.
Opus West Corporation
April 9, 2009
Page 2

of any default or Event of Default. To the extent Lender elects to fund any such draw request, neither such election nor the actual funding thereof does or shall: constitute a commitment to lend or to modify the Loan; constitute an offer to extend credit or modify the existing Loan terms; constitute a waiver by Lender of the Event of Default or performance or cure of the Event of Default by Borrower; constitute an amendment of any term or condition of any Loan Document; create an obligation of Lender to agree to, or to negotiate or consider an agreement to, any waiver of any obligation or default by Borrower under any Loan; or directly or indirectly impair or otherwise affect any of Lender's rights, interests or remedies with respect to the Loan.

Lender hereby also reserves the right to accept payments made after the date of this letter even though such payments are not offered as, or are insufficient to, cure the Event of Default described herein or reinstate the Loan pursuant to the provisions of the law governing the jurisdiction in which the project is located. Lender may apply such payments in the order provided in the Loan Agreement or other Loan Documents.

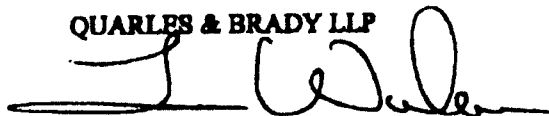
As a result of the Event of Default: (i) Lender is entitled to the exercise of its rights and remedies under the Loan Documents, at law and in equity, including, without limitation, acceleration of the indebtedness due under the Loan Documents and the imposition charges recoverable as a consequence of the Event of Default (including attorneys' fees and costs); and (ii) Lender is entitled to enforce its rights and remedies relating to its collateral, including, without limitation, appointment of receiver and foreclosure.

Nothing in this letter or in Lender's application of such payments is or shall be deemed to be a waiver, election or estoppel of any rights, remedies, defenses and objections available to Lender and its affiliated entities under the Loan Agreement and related Loan Documents under applicable laws and in equity in connection with any default by Borrower, and Lender expressly reserves all such rights, remedies, defenses and objections, including with respect to any defaults now or hereafter in existence, whether known or unknown, to Lender, that are not referenced in this letter.

Please give this matter your immediate attention.

Very truly yours,

QUARLES & BRADY LLP



Lori L. Winkelman

O.W. Commercial, Inc.
Opus West Corporation
April 9, 2009
Page 3

cc: Casey Carpenter, Bank of America
Daniel Denton, Esq., Bank of America
Brian Sirower, Esq.

VIA UPS OVERNIGHT
O.W. Commercial, Inc.
2555 East Camelback, Suite 800
Phoenix, Arizona 85016-9267
Attn: Legal Department

VIA UPS OVERNIGHT
Luce, Forward, Hamilton & Scripps LLP
600 West Broadway, Suite 2600
San Diego, California 92101
Attn: David M. Hymer, Esq.

RECORDING REQUESTED BY

FIRST AMERICAN TITLE INSURANCE COMPANY

AND WHEN RECORDED MAIL TO

**FIRST AMERICAN TITLE INSURANCE COMPANY
3 FIRST AMERICAN WAY NDTs DIVISION
SANTA ANA, CA 92707
(714) 250-3572 (Phone)
(714)250-4325(Fax)**

CERTIFIED BY FIRST AMERICAN TITLE
INSURANCE COMPANY TO BE A COPY
OF THE DOCUMENT RECORDED ON 07/01/2009
AS INSTRUMENT NO. 2009-209071
IN BOOK PAGE
OFFICIAL RECORDS OF ALAMEDA

Trustee Sale No. 09-25255 Loan No. FREMONT TECH CENTER Title Order No. 4184101

Space above this line for recorder's use

**IMPORTANT NOTICE
NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST**

IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR PAYMENTS, IT MAY BE SOLD WITHOUT ANY COURT ACTION, and you may have the legal right to bring your account in good standing by paying all of your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account, which is normally five business days prior to the date set for the sale of your property. No sale date may be set until three months from the date this notice of default may be recorded (which date of recordation appears on this notice).

This amount is \$19,886,442.85 as of June 17, 2009 and will increase until your account becomes current.

While your property is in foreclosure, you still must pay other obligations (such as insurance and taxes) required by your note and deed of trust or mortgage. If you fail to make future payments on the loan, pay taxes on the property, provide insurance on the property, or pay other obligations as required in the note and deed of trust or mortgage, the beneficiary or mortgagee may insist that you do so in order to reinstate your account in good standing. In addition, the beneficiary or mortgagee may require as a condition to reinstatement that you provide reliable written evidence that you paid all senior liens, property taxes, and hazard insurance premiums.

Upon your written request, the beneficiary or mortgagee will give you a written itemization of the entire amount you must pay. You may not have to pay the entire unpaid portion of your account, even though full payment was demanded, but you must pay all amounts in default at the time payment is made. However, you and your beneficiary or mortgagee may mutually agree in writing prior to the time the notice of sale is posted (which may not be earlier than the end of the three-month period stated above) to, among other things, (1) provide additional time in which to cure the default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the above paragraph of this notice, unless the obligation being foreclosed upon or a separate written agreement between you and your creditor permits a longer period, you have only the legal right to stop the sale of property by paying the entire amount demanded by your creditor.

To find out the amount you must pay, to arrange for payment to stop the foreclosure, or if your property is in foreclosure for any other reason, contact:

Trustee Sale No. 09-25255 Loan No. FREMONT TECH CENTER Title Order No. 4184101

BANK OF AMERICA, N.A., A NATIONAL BANKING ASSOCIATION
C/O SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
333 SOUTH HOPE STREET, 48TH FLOOR
LOS ANGELES, CA 90071
ATTN: CAROLINE L. WOOLSEY, ESQ. (213)620-1780

If you have any questions, you should contact a lawyer or the governmental agency which may have insured your loan. Notwithstanding the fact that your property is in foreclosure, you may offer your property for sale, provided the sale is concluded prior to the conclusion of the foreclosure.

REMEMBER, YOU MAY LOSE LEGAL RIGHTS IF YOU DO NOT TAKE PROMPT ACTION.

NOTICE IS HEREBY GIVEN THAT: FIRST AMERICAN TITLE INSURANCE COMPANY, is either the original trustee, the duly appointed substituted trustee, or acting as agent for the trustee or beneficiary under a Construction Deed of Trust, Assignment, Security Agreement and Fixture Filing (Fremont Tech Center, CA)("Deed of Trust") dated as of May 29, 2007, executed by O.W. COMMERCIAL, INC., a Delaware corporation, as trustor, to secure certain obligations in favor of BANK OF AMERICA, N.A., a national banking association, as Beneficiary recorded on June 15, 2007, as, Instrument No. 2007-224923 of official records in the Office of the Recorder of ALAMEDA County, California. Said Deed of Trust more specifically describes land, fixtures and other property, which is subject to the lien thereof. The obligations secured include note(s) for the sum of \$31,165,000.00 and all modifications thereof, if any. The beneficial interest under said Deed of Trust and the obligations secured thereby are presently held by the beneficiary; that a breach of, and default in, the obligations for which said Deed of Trust is security has occurred in that the payment has not been made of:

- 1) THE UNPAID PRINCIPAL BALANCE OF \$19,648,735.78 DUE AND PAYABLE ON JUNE 1, 2009;
- 2) MONETARY DEFAULT IN FAILURE TO PAY INSTALLMENTS OF MAY 1, 2009 AND JUNE 1, 2009 INTEREST; AND
- 3) FAILURE TO CAUSE GUARANTOR TO MAINTAIN THE RATIO OF TOTAL LIABILITIES TO TANGIBLE NET WORTH AS REQUIRED PURSUANT TO SECTION 4.29 OF THE LOAN AGREEMENT.

TO CURE THE DEFAULT, YOU MUST PAY ALL AMOUNTS DUE, INCLUDING ANY ADDITIONAL UNPAID AMOUNTS THAT YOU ARE OBLIGATED TO PAY BY THE TERMS OF THE NOTE AND DEED OF TRUST, SUCH AS, BUT NOT LIMITED TO, ADVANCES, TAXES, HAZARD INSURANCE, AND OBLIGATIONS SECURED BY PRIOR ENCUMBRANCES, PLUS TRUSTEE'S AND/OR ATTORNEY'S FEES AND COSTS AND EXPENSES INCURRED IN ENFORCING THE OBLIGATION. Pursuant to California Commercial Code Section 9604(a)(1)(B), the sale may, at the election of the beneficiary, include personal property.

That by reason thereof, the present beneficiary under such Deed of Trust, has executed and delivered to said Trustee, a written Declaration and Demand for Sale, and has deposited with said duly appointed Trustee, such Deed of Trust and all documents evidencing the obligations secured thereby, and has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

DATE: 06-29-2009

FIRST AMERICAN TITLE INSURANCE COMPANY


ARLENE C. BOWDITCH

FIRST AMERICAN TITLE INSURANCE
COMPANY IS A DEBT COLLECTOR
ATTEMPTING TO COLLECT A DEBT. ANY
INFORMATION OBTAINED WILL BE USED
FOR THAT PURPOSE.

Northern District of Texas Claims Register

09-34363-hdh11 O.W. Commercial, Inc.

Judge: Harlin DeWayne Hale

Chapter: 11

Office: Dallas

Last Date to file claims:

Trustee:

Last Date to file (Govt):

Creditor: (12791502) BANK OF AMERICA, N.A. c/o Casey Carpenter Vice President Real Estate Special Assets 333 S. Hope St., 11th Floor Los Angeles, CA 90071-1406	Claim No: 3 <i>Original Filed</i> <i>Date: 11/09/2009</i> <i>Original Entered</i> <i>Date: 11/09/2009</i>	Status: <i>Filed by: CR</i> <i>Entered by: Richter, Katharine</i> <i>Modified:</i>
Unsecured claimed: \$19927617.56 Total claimed: \$19927617.56		
History: <u>Details</u> <u>3-1</u> 11/09/2009 Claim #3 filed by BANK OF AMERICA, N.A., total amount claimed: \$19927617.56 (Richter, Katharine)		
<u>Description:</u> (3-1) Fremont - OWComm		
<u>Remarks:</u> (3-1) But see Addendum for possible secured status		

Claims Register Summary