

After Recording Mail To:
Thompson Hine LLP
3900 Key Center
127 Public Square
Cleveland, Ohio 44114
Attn: William R. Weir

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

Washington State County Auditor's/Recorder's Information (RCW 65.04):

Grantor: VWA – Mount Vernon, LLC, an Ohio limited liability company

Grantee: First American Title Insurance Company, a Nebraska corporation

Grantee: The Huntington National Bank, a national banking association

Abbreviated Legal

Descriptions: Multiple portions of the SW 1/4 of the SW 1/4 of Section 20, Twp. 34N., R. 4 E., W.M.

Full legal description is attached as **Exhibit A** hereto.

Assessor's Property Tax

Parcel Account Numbers: P134972, P134974, P134969, P134970, P134975, P53372 and P53379

THIS INSTRUMENT IS A UNIFORM COMMERCIAL CODE FINANCING STATEMENT WHICH IS BEING FILED AS A FIXTURE FILING IN ACCORDANCE WITH SECTION 62A.9A-502 OF THE UNIFORM COMMERCIAL CODE AS ADOPTED BY THE STATE OF WASHINGTON AND SET FORTH IN RCW 62A.9A-502. THE COLLATERAL IS DESCRIBED HEREIN, SOME OF WHICH IS OR MAY BECOME FIXTURES ON THE REAL ESTATE DESCRIBED HEREIN.

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

This *Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing* (this "Instrument") is made as of this 1st day of July, 2021 (the "Effective Date"), by and among VWA – Mount Vernon, LLC, an Ohio limited liability company ("Grantor," which term whenever used herein shall be construed as meaning the undersigned whether a person or persons, limited liability company, corporation or partnership and the successors and assigns of the undersigned whenever the context so admits), in favor of **First American Title Insurance Company**, a Nebraska corporation (the "Trustee") having an address of 920 Fifth Ave., Suite 1200, Seattle, WA 98104, for the benefit of **The Huntington National Bank**, a national banking association, having an office at 200 Public Square (CM17), Cleveland, Ohio 44114, ("Huntington" or the "Grantee" which terms shall include Huntington, its successors and assigns), in consideration of a Twenty-One Million Three Hundred Seventy Thousand and No/100 Dollars (\$21,370,000.00) loan (the "Loan") from Huntington to Grantor, Grantor hereby irrevocably and unconditionally grants, bargains, sells, conveys, mortgages and warrants to Trustee, in trust for the benefit of Huntington, with power of sale and with right of entry and possession, all estate, right, title and interest which Grantor now has or may later acquire in and to the following property (all or any part of such property, or any interest in all or any part of it, as the context may require, the "Mortgaged Property"):

All of Grantor's right, title and interest, whether such right, title and interest be in the nature of a fee interest, leasehold interest, lien interest or otherwise, presently held, hereafter declared or determined to be presently or in the future held or hereafter acquired by the Grantor, in and to that certain real property situated in the State of Washington, County of Skagit, and City of Mount Vernon, being more fully described in Exhibit A hereto and by this reference made a part hereof (the "Property"), together with the following, whether now owned or hereafter acquired by Grantor: (a) all improvements now or hereafter attached to or placed, erected, constructed or developed on the Property (collectively the "Improvements"); (b) all fixtures, furnishings, equipment, inventory, and other articles of personal property (collectively the "Personal Property") that are now or hereafter attached to or used in or about the Improvements or that are necessary or useful for the complete and comfortable use and occupancy of the Improvements for the purposes for which they were or are to be attached, placed, erected, constructed or developed or that may be used in or related to the planning, development, financing or operation of the Improvements, and all renewals of or replacements or substitutions for any of the foregoing, whether or not the same are or shall be attached to the Improvements or the Property; (c) all water and water rights, littoral rights, riparian rights, timber, crops, and mineral interests pertaining to the Property; (d) all building materials and equipment now or hereafter delivered to and intended to be installed in or on the Improvements or the Property, all of which materials and equipment shall be deemed to be included in the Mortgaged Property immediately after delivery to the Property; (e) all plans and specifications for the Improvements; (f) all contracts relating

to the Property, the Improvements or the Personal Property, including without limitation any leases for telephone equipment, communication and call signaling equipment, televisions, television antenna systems, radios, speakers, electronic equipment for guest billings and reservations, or other equipment; (g) all deposits, bank accounts, funds, documents, contract rights, accounts, commitments, construction agreements, architectural agreements, general intangibles (including, without limitation, trademarks, trade names and symbols), instruments, notes and chattel paper arising from or by virtue of any transactions related to the Property, the Improvements or the Personal Property; (h) all permits, licenses, franchises, certificates, and other rights and privileges obtained in connection with the Property, the Improvements or the Personal Property; (i) all proceeds arising from or by virtue of the sale, lease or other disposition of the Property, the Improvements, the Personal Property or any portion thereof or interest therein; (j) all proceeds (including, without limitation, premium refunds) of each policy of insurance relating to the Property, the Improvements or the Personal Property; (k) all proceeds from the taking of any of the Property, the Improvements, the Personal Property or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof (including, without limitation, change of grade of streets, curb cuts or other rights of access), for any public or quasi-public use under any law; (l) all right, title and interest of Grantor in and to all streets, roads, public places, easements and rights of way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Property; (m) all of the leases, licenses, franchise agreements, occupancy agreements, rents (including without limitation, room rents), royalties, bonuses, issues, profits, revenues or other benefits of the Property, the Improvements or the Personal Property, including, without limitation, cash or securities deposited pursuant to leases to secure performance by the lessees of their obligations thereunder; (n) all consumer goods located in, on or about the Property or the Improvements or used in connection with the use or operation thereof; (o) all easements, strips, gores, rights, hereditaments and appurtenances pertaining to the foregoing and estates and rights in reversion or remainder; (p) all "equipment" as that term is defined in the Washington Uniform Commercial Code as presently or hereafter in effect, all "goods" as that term is defined in the Washington Uniform Commercial Code as presently or hereafter in effect and all "accounts" as that term is defined in the Washington Uniform Commercial Code as presently or hereafter in effect; and (q) other interests of every kind and character that Grantor now has or at any time hereafter acquires in and to the Property, Improvements, and Personal Property described herein and all property that is used or useful in connection therewith, including rights of ingress and egress and all reversionary rights or interests of Grantor with respect thereto;

TO HAVE AND TO HOLD the Mortgaged Property, together with the rights, privileges, powers and appurtenances thereto belonging, unto Huntington and its successors and assigns forever, and Grantor does hereby covenant with Huntington that Grantor is well seized of the Property as a good and indefeasible estate in fee simple, and has good right to bargain, sell, and convey the same in manner and forms above written, that the Property is free and clear from all encumbrances whatsoever and the claim or claims of all persons claiming or to claim the same or

any part thereof, except for the Leases and for those matters described in Exhibit B attached hereto and by this reference made a part hereof (collectively, the "Permitted Encumbrances"), that Grantor is well seized of the Mortgaged Property (other than the Property) and has good right to bargain, sell and convey the same in the manner and forms above written, and Grantor warrants and will defend the Mortgaged Property to Huntington, forever against all lawful claims and demands whatsoever, except as set forth above.

This Instrument is given for the purpose of securing loan advances which Huntington is obligated to make to Grantor for the construction of various Improvements on the Property (the "Project") pursuant to the terms and conditions of the *Construction Loan Agreement* of even date herewith, by and between Grantor and Huntington (the "Loan Agreement"), which Loan Agreement is incorporated herein and by this reference made a part hereof.

THE INSTRUMENT IS GIVEN TO SECURE: the full and prompt payment, whether at stated maturity, accelerated maturity or otherwise, of any and all indebtedness, whether fixed or contingent (collectively the "Indebtedness") and the complete, faithful and punctual performance of any and all other obligations (collectively the "Obligations") of Grantor to Huntington under the terms and conditions of: (a) a certain *Promissory Note* executed by Grantor in favor of Huntington on or about the even date herewith in the original principal amount of up to \$21,370,000.00 (as the same may be amended, modified, or restated, from time to time, the "Note"), with interest thereon, prepayment and late charges, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Instrument, and the performance of the covenants and agreements of Grantor herein contained; (b) the repayment of any future advances, with interest thereon, made to Grantor by Huntington pursuant to this Instrument ("Future Advances"); (c) the full payment of amounts due under and performance and observance of all the provisions, conditions, covenants and agreements contained herein or in the Loan Agreement, or in any of the other Loan Documents; (d) the full payment of amounts due under and performance and observance of all the provisions, conditions, covenants and agreements contained in any agreement now existing or hereafter entered into between Grantor and Huntington, including any foreign exchange contract, currency swap agreement, futures contract, commodities hedge agreement, interest rate protection agreement, interest rate future agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, option agreement or any other similar hedging agreement or arrangement entered into by a Person in the ordinary course of business (such contracts being "Hedging Contracts" and any obligations arising thereunder being "Hedging Obligations"), and (e) for any and all costs and expenses herein provided for or which may arise in respect of this Instrument or the indebtedness hereby secured or the property herein described.

Grantor, for itself and its successors and assigns, hereby covenants with Huntington, its successors and assigns, that:

1. Title. Grantor represents that it has good and marketable title in fee simple to the Mortgaged Property, free and clear from all conditions, restrictions, easements, liens, encumbrances and adverse claims whatsoever, except the Permitted Encumbrances. If the interest of Huntington in the Mortgaged Property or any part thereof shall be endangered or

shall be attacked, directly or indirectly, Grantor hereby authorizes Huntington, at Grantor's expense, to take all necessary and proper steps for the defense of such interest, including the employment of counsel, the prosecution or defense of litigation and the compromise or discharge of claims made against such interest. Any sums so expended by Huntington shall be charged against Grantor and collectible in accordance with the terms of Section 12 hereof.

2. Further Assurances. Grantor shall furnish to Huntington evidence of the title of Grantor to the Mortgaged Property at the execution and delivery hereof and from time to time hereafter as may be deemed necessary by and satisfactory to Huntington, and Grantor shall promptly pay the cost of said title evidence when due and payable.

Grantor, upon the request of Huntington, shall execute, acknowledge, deliver, file and record such further instruments and do such further acts as may be necessary, desirable or proper to carry out the purposes of the Loan Documents and to subject to the liens and security interests created thereby any property intended by the terms thereof to be covered thereby, including specifically, but without limitation, any renewals, additions, substitutions, replacements, improvements or appurtenances to the Mortgaged Property.

3. Subrogation for Further Security. Huntington shall be subrogated for its further security to the lien, although released of record, of any and all encumbrances paid with any advance of Indebtedness; provided, however, that the terms and provisions hereof shall govern the rights and remedies of Huntington and shall supersede the terms, provisions, rights, and remedies under the lien or liens to which Huntington is subrogated hereunder.

4. Status Quo. Except as expressly permitted herein, in Section 2.26 of the Loan Agreement, or in the other Loan Documents or except with the written consent of Huntington, which consent may be withheld in Huntington's sole discretion, Grantor shall not: (a) sell, assign, mortgage, pledge, lease (subject to Grantor's rights under Subsection 17(b)(v), below) or otherwise convey or further encumber the Mortgaged Property, or any portion thereof, or legal, equitable or beneficial interest therein, (b) contract for any of the same, (c) permit the Mortgaged Property, or any portion thereof, or legal, equitable or beneficial interest therein, to be subject to any superior or inferior lien or encumbrance, (d) subdivide, resubdivide or submit to the condominium form of ownership all or any portion of the Mortgaged Property, or any portion thereof (provided, however, that Huntington acknowledges Grantor's intention to subdivide and consolidate the Mortgaged Property in approximately the configuration of Exhibit G of the Loan Agreement), or (e) initiate or acquiesce in any change in the zoning classification of the Property, or any portion thereof (except as permitted under the Required Lease (as defined in the Loan Agreement) and necessary for the use and operation of the Project). Notwithstanding the foregoing: (y) Huntington hereby consents to that filing of that certain *Declaration of Easements, Restrictive Covenants, and Conditions*, executed by Borrower, as "Developer" covering the Property, in the form approved by Huntington on or prior to the Effective Date (with such changes thereafter as may be approved by Huntington); and (z) those items described in Section 1.66(vi) of the Loan Agreement.

5. Payment of Indebtedness. Grantor shall promptly pay the Indebtedness as the same becomes due and payable.

6. Estoppel Certificate. Grantor shall furnish to Huntington within ten (10) days of any written request of Huntington, a written statement, duly acknowledged by Grantor, setting forth the sums secured by the Instrument and any right of set off, counterclaim or other defense which Grantor alleges to exist against such sums and obligations of the Instrument.

7. Taxes and Other Impositions. Grantor shall promptly pay before delinquency, all taxes, assessments, charges, fines or impositions, general, local or special (collectively the "Impositions"), levied upon the Mortgaged Property, or any part thereof, or upon Huntington's interest therein, or upon the Instrument or the Indebtedness, by any duly or legally constituted public authority, municipality, township, county or state or the United States, and exhibit the evidence of the payment thereof to Huntington within seven (7) days thereafter, provided that Grantor, at Grantor's own cost and expense may, if it shall in good faith so desire, contest the validity or amount of any Impositions, in which event Grantor may defer the payment thereof for such period as such contest shall be actively prosecuted and shall be pending undetermined. However, Grantor shall not allow any such Impositions so contested to remain unpaid for such length of time as shall permit all or any portion of the Mortgaged Property, or the lien thereon created by such item, to be sold by federal, state, county or municipal authority for the nonpayment thereof. Pending any such contest, Grantor shall furnish to Huntington an indemnity bond secured by a deposit in cash or other security acceptable to Huntington, in the amount of the tax or assessment being contested by Grantor, plus a reasonable additional sum to pay all costs, interest and penalties which may be imposed or incurred in connection therewith.

In the event that one or more of the Impositions on Huntington's interest in the Mortgaged Property, the Instrument or the Indebtedness cannot be lawfully paid by Grantor, then Grantor shall repay the Indebtedness in full without penalty within sixty (60) days after demand therefor by Huntington.

8. Insurance and Indemnification. Grantor shall provide, maintain, and keep in force (or cause Required Tenant to provide, maintain, and keep in force) at all times the following policies of insurance:

(a) Insurance against loss or damage to the Improvements and the Personal Property caused by fire and any of the risks covered by insurance of the type now known as "cause of loss special form," in an amount equal to one hundred percent (100%) of the replacement cost of the Improvements and the Personal Property and sufficient to prevent Grantor and Huntington from becoming co-insurers, and otherwise with terms and conditions acceptable to Huntington;

(b) Comprehensive broad form general liability insurance, insuring against any and all claims for personal injury, death or property damage occurring on, in or about the Property, the Improvements and the adjoining streets, sidewalks and passageways, subject to a combined single limit of not less than Two Million Dollars (\$2,000,000.00) for personal injury, death or

property damage arising out of any one accident, a general aggregate limit of not less than Five Million Dollars (\$5,000,000.00), and otherwise with terms and conditions acceptable to Huntington;

(c) Worker's compensation insurance (including employer's liability insurance, if available and requested by Huntington) for all employees of Grantor engaged on or with respect to the Property and the Improvements in the limits established by law, or, if limits are not so established, in such amounts as are acceptable to Huntington;

(d) During the course of any development or construction of the Improvements, builder's completed value risk insurance against "all risks of physical loss," including collapse and transit coverage, in the amounts set forth in Subsection 8(a) above, and otherwise with terms and conditions acceptable to Huntington;

(e) Upon obtaining a certificate of occupancy for the Improvements or any portion thereof, business interruption insurance and/or loss of "rental value" insurance in an amount not less than the appraised rentals for the Mortgaged Property for a minimum of twelve (12) months, and otherwise with terms and conditions acceptable to Huntington;

(f) If the Improvements are located in a federally designated flood hazard area, and if the Improvements are of the kind required to be insured under the National Flood Insurance Act of 1968 or the Flood Disaster Protection Act of 1973, then flood hazard coverage, in the maximum amount available and otherwise with terms and conditions acceptable to Huntington; and

(g) Such other insurance coverage, and in such amount, as may from time to time be required by Huntington against the same or other hazards.

All such policies shall be in a form acceptable to Huntington. Each policy of casualty insurance shall contain a mortgagee clause, substantially in the form of the standard "New York" mortgagee clause or otherwise acceptable to Huntington, showing Huntington as mortgagee. Each policy of liability insurance shall show Huntington as an additional insured. Unless the policy so provides, each policy of insurance required by the terms of the Instrument shall contain an endorsement by the insurer, for the benefit of Huntington: (i) that any loss shall be payable in accordance with the terms of such policy notwithstanding any act or negligence of Grantor, which might otherwise result in forfeiture of said insurance; (ii) that any right of set off, counterclaim or deductions against Grantor is waived; and (iii) that such policy shall not be canceled or changed except upon not less than thirty (30) days prior written notice delivered to Huntington.

All such insurance policies and renewals thereof shall be written by companies with a Best's Insurance Reports policy holders rating of A+ and a financial size category of Class XV or be expressly approved by Huntington in writing.

Huntington shall have the right to hold the policies, or binders thereof acceptable to Huntington, and Grantor shall promptly furnish to Huntington all renewal notices and all receipts of paid premiums. Prior to the expiration date of any such policy, Grantor shall deliver to Huntington a renewal policy, or binder thereof, in form acceptable to Huntington.

Notwithstanding the foregoing: (i) pursuant to the Skagit Lease, Skagit Health is required to insure (or self-insure) the Property, and therefore the Skagit Lease shall satisfy Grantor's obligations under this Section 8 so long as Skagit Health complies with the terms thereof, and (ii) to the extent that any other Leases require the Tenant thereunder to maintain insurance for the Property (and/or to self-insure all or any such obligations), the obligations of Grantor under this Section 8 shall be deemed satisfied so long as such Tenant is not in default under the terms thereof.

If Huntington is made a party defendant to any litigation concerning the Loan Documents or the Mortgaged Property or any part thereof or interest therein, or the occupancy thereof by Grantor, then Grantor shall indemnify, defend and hold Huntington harmless from all liability by reason of said litigation, including reasonable attorneys' fees and expenses incurred by Huntington in any such litigation, whether or not any such litigation is prosecuted to judgment. Grantor waives any and all right to claim or recover against Huntington, its officers, employees, agents and representatives, for loss of or damage to Grantor, the Mortgaged Property, other property of Grantor or the property of others under control of Grantor from any cause insured against or required to be insured against by the provisions of the Instrument.

Grantor shall not take out separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section unless Huntington has approved the insurance company and the form and content of the insurance policy, including, without limitation, the naming thereon of Huntington as a named insured with loss payable to Huntington under a standard mortgage clause of the character above described. Grantor shall immediately notify Huntington whenever any such separate insurance is taken out and shall promptly deliver to Huntington copies of the policies or binders evidencing such insurance.

Nothing contained in this Section shall prevent Grantor from keeping the Improvements and Personal Property insured or causing the same to be insured against the risks referred to in this Section under a policy or policies of blanket insurance which may cover other property not subject to the lien of the Mortgage; provided, however, that any such policy of blanket insurance (i) shall specify therein the amount of the total insurance allocated to the Improvements and Personal Property, which amount shall be not less than the amount otherwise required to be carried under the Mortgage; (ii) shall not contain any clause which would result in the insured thereunder becoming a co insurer of any loss with the insurer under such policy; and (iii) shall in all other respects comply with the provisions of the Instrument.

Huntington shall be entitled to receive all of the proceeds of said insurance and, provided no Event of Default then exists, after any applicable grace or cure period, shall release said proceeds to Grantor for application toward the repair or replacement of the damaged or destroyed portion of the Improvements and Personal Property. If an Event of Default exists, Huntington

may elect, either apply such proceeds, in whole or in part, toward payment of the Indebtedness, the unpaid portion of the debt to remain in force, or to hold and apply such proceeds, without payment or allowance of interest thereon, toward the repair or replacement of the damaged or destroyed portion of the Improvements and Personal Property. In such event, Grantor hereby authorizes and empowers Huntington to settle or compromise claims under all such policies provided that same shall be reasonable under the circumstances then existing and to demand, receive and receipt for all monies becoming payable thereunder, whether or not the policies are held by Grantor and whether or not they are made payable to Huntington, and the companies issuing such insurance policies are hereby notified, instructed, empowered and authorized to make loss drafts payable to Huntington.

If the insurance proceeds are held by Huntington to reimburse Grantor for the cost of restoration and repair of the Improvements and the Personal Property, the Improvements and Personal Property shall be restored to the equivalent of its original condition or such other condition as Huntington may approve in writing. Huntington may, at Huntington's option, condition disbursement of said proceeds on Huntington's approval of such plans and specifications of an architect satisfactory to Huntington, cost estimates of contractors satisfactory to Huntington, architect's certificates, waivers of liens, sworn statements of mechanics and materialmen and such other evidence of costs, percentage completion of construction, application of payments, and satisfaction of liens as Huntington may reasonably require. If the insurance proceeds are applied to the payment of the sums secured by this Instrument, any such application of proceeds shall not extend or postpone the due dates of the monthly installments referred to in the Note or change the amounts of such installments. If the Mortgaged Property is sold pursuant to Section 19 hereof or if Huntington acquires title to the Mortgaged Property, Huntington shall have all of the right, title and interest of Grantor in and to any insurance policies and unearned premiums thereon and in and to the proceeds resulting from any damage to the Mortgaged Property prior to such sale or acquisition.

9. Escrow. Grantor, in order to more fully protect the security of the Instrument, does hereby covenant and agree that, if Grantor shall fail to timely pay taxes, assessments or insurance premiums as provided above, then Grantor shall, upon request of Huntington, pay to Huntington on the first day of each month, until the Indebtedness is fully paid, a sum equal to one twelfth (1/12) of the known or estimated yearly taxes, assessments, premiums for such insurance as may be required by the terms hereof and, if applicable, any replacement reserve amounts payable by Grantor. Huntington shall hold such monthly payments which may be mingled with its general funds, without obligation to pay interest thereon, unless otherwise required by applicable law, to pay such taxes, assessments, and insurance premiums when due. Grantor agrees that sufficient funds shall be so accumulated for the payment of said charges one month prior to the due date thereof and that it shall furnish Huntington with proper statements covering the same fifteen (15) days prior to the due dates thereof. In the event of foreclosure of the Instrument, or if Huntington should take a deed in lieu of foreclosure, the amount so accumulated shall be credited on account of the unpaid principal or interest. If the total of the monthly payments as made under this Section 9 shall exceed the payments actually made by Huntington, such excess shall be credited on subsequent monthly payments of the same nature, but if the total of such monthly payments so made under this

Section shall be insufficient to pay such taxes, assessments, and insurance premiums then due, then said Grantor shall pay upon demand the amount necessary to make up the deficiency, which payments shall be secured by the Instrument. To the extent that all the provisions of this Section 9 for such payments of taxes, assessments, and insurance premiums to Huntington, are complied with, said Grantor shall be relieved of compliance with the covenants contained in Sections 7 and 8 herein as to the amounts paid only, but nothing contained in this Section shall be construed as in any way limiting the rights of Huntington at its option to pay any and all of said items when due.

10. Waste; Repair. Grantor shall neither commit nor permit any waste on the Property and shall keep all Improvements now or hereafter erected on the Property in good condition and repair.

11. Alterations; Construction. Grantor shall not remove, demolish or alter any of the Improvements, now existing or hereafter constructed on the Property, or any of the Personal Property in or on the Property or Improvements, except: (a) when required under the Permitted Encumbrances; or (b) when incident to the replacement of any of the items of Personal Property with items of like kind and value, or otherwise with Huntington's written consent thereto, which consent shall not be unreasonably withheld provided the tenants under the Leases have approved same to extent expressly provided in the Lease. All Improvements hereafter erected shall have been erected according to the plans and specifications approved by Huntington.

12. Future Advances. The total amount of Indebtedness secured hereby may increase or decrease from time to time, but the total unpaid principal balance of Indebtedness secured hereby (including disbursements that Huntington may, but shall not be obligated to, make under this Instrument, the Loan Documents or any other document with respect thereto) at any one time outstanding may be substantially less but shall not exceed Twenty-One Million Three Hundred Seventy Thousand and No/100 Dollars (\$21,370,000.00), plus interest thereon, and any disbursements made for the enforcement of this Instrument and any remedies hereunder, payment of taxes, special assessments, utilities or insurance on the Mortgaged Property and interest on such disbursements and all disbursements by Huntington pursuant to applicable law (all such indebtedness being hereinafter referred to as the maximum amount secured hereby). This Instrument shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Mortgaged Property given priority by law.

13. Use. Unless Huntington otherwise agrees in writing, Grantor shall not allow changes in the nature of the use for which the Property and Improvements were intended at the time the Instrument was executed and then only to the extent expressly permitted by the Leases. Grantor shall comply with the laws, ordinances, regulations and requirements of any governmental body applicable to the Mortgaged Property, both during the construction of any Improvements on the Property and subsequent to the completion thereof, and not permit the use thereof for any illegal purpose.

14. Inspection. Any person authorized by Huntington shall have the right to enter upon and inspect the Mortgaged Property at all reasonable times, subject, however, to the rights of tenants provided in the Leases. Huntington shall, however, have no duty to make such inspections. Any inspection of the Mortgaged Property by Huntington shall be entirely for its benefit, and Grantor shall in no way rely or claim reliance thereon.

15. Minerals. Without the prior written consent of Huntington, and except as permitted under the Permitted Encumbrances, Grantor shall not permit any drilling or exploring for, or extraction, removal, or production of minerals from the surface or subsurface of the Property. The term "minerals" as used herein shall include, without limitation, oil, gas, casinghead gas, coal, lignite, hydrocarbons, methane, carbon dioxide, helium, uranium and all other natural elements, compounds and substances, including sand and gravel.

16. Condemnation. If all or any part of the Property or Improvements are damaged, taken or acquired, either temporarily or permanently, in any condemnation proceeding, or by exercise of the right of eminent domain, or, with Huntington's consent, by any conveyance in lieu thereof, then the portion of the amount of any award or other payment for such taking, or conveyance or damages made in consideration thereof that is receivable by Grantor under the Leases (to the extent of the full amount of the then remaining unpaid Indebtedness), is hereby assigned to Huntington who is empowered to collect and receive the same and to give proper receipts therefor in the name of Grantor, and the same shall be paid forthwith to Huntington. Any award or payment so received by Huntington, may at the option of Huntington, be retained and applied, in whole or in part, to the Indebtedness (whether or not then due and payable) in such manner as Huntington may determine, or released in whole or in part to Grantor upon terms satisfactory to Huntington for the purpose of altering, restoring or rebuilding any part of the Mortgaged Property which may have been altered, damaged or destroyed as a result of such taking, alteration or proceedings, but Huntington shall not be obligated to see to the application of any funds so released; provided, however, that if no Event of Default then exists, after any applicable grace or cure period, Huntington shall release said proceeds to Grantor for application toward the repair or replacement of the taken or condemned portion of the Improvements and Personal Property. If Grantor receives notice, written or unwritten, of any actual, intended or threatened condemnation or eminent domain proceeding, Grantor shall forthwith furnish a copy of such notice to Huntington if such notice was written, or inform Huntington in writing if such notice was unwritten. Subject to the tenant's rights under the Leases, Grantor further authorizes Huntington, at Huntington's option and at Grantor's expense, as attorney in fact for Grantor, to commence, appear in and prosecute, in Grantor's or Huntington's name, any action or proceeding relating to any condemnation or other taking of all or any part of the Mortgaged Property and to settle or compromise any claims in connection with such condemnation or other taking.

17. Assignment of Rents and Leases.

(a) Grantor hereby absolutely and unconditionally assigns, transfers and sets over unto Huntington and Huntington's successors and assigns, all present and future leases covering all or any part of the Mortgaged Property (collectively, the "Leases"), together with any

extensions or renewals thereof and any guarantees of any tenants' obligations thereunder, and all of the rents, royalties, bonuses, income, receipts, revenues, issues and profits now due or which may hereafter become due under the Leases or any extensions or renewals thereof, as well as all moneys due and to become due to Grantor under the Leases for services, materials or installations supplied whether or not the same were supplied under the terms of the Leases, all liquidated damages following default under the Leases and all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by damage to any part of the Mortgaged Property (such rents, income, receipts, revenues, issues, profits and other moneys assigned hereby are hereinafter collectively called "Rents"), together with any and all rights and remedies which Grantor may have against any tenant under any of the Leases or others in possession of the Mortgaged Property or any part thereof for the collection or recovery of Rents so assigned. Prior to an Event of Default, as hereinafter defined, Grantor shall have a license to collect and receive all Rents as trustee for the benefit of Huntington and Grantor.

(b) Grantor hereby represents, warrants and agrees that:

(i) Grantor has good title to the Leases and Rents hereby assigned and has the right, power and capacity to make this assignment and no person or entity other than Grantor has or will have any right, title or interest in or to the Leases or Rents, except for the Permitted Encumbrances.

(ii) Grantor shall, at Grantor's sole cost and expense, perform and discharge all of the obligations and undertakings of the landlord under the Leases and give prompt notice to Huntington of any failure to do so. Grantor shall use all reasonable efforts to enforce or secure the performance of each and every obligation and undertaking of the tenants under the Leases and shall appear in and prosecute or defend any action or proceeding arising under, or in any manner connected with, the Leases or the obligations and undertakings of the tenants thereunder.

(iii) Grantor shall generally operate and maintain the Mortgaged Property in a manner to insure maximum Rents and shall enter into and maintain a contract, approved by Huntington as to form and content, with a professional property manager, approved by Huntington, for the management and leasing of the Mortgaged Property.

(iv) Grantor shall not pledge, transfer, mortgage or otherwise encumber or assign the Leases or the Rents.

(v) Grantor shall not, without Huntington's written consent: (1) modify, extend, renew, terminate, accept a surrender of, or in any way alter the terms of the Required Lease (as defined in the Loan Agreement), except that Huntington's consent to any lease modification that does not shorten the term of the Skagit Health Lease, impact the insurance provisions of the Skagit Health Lease, or reduce the rent or other amounts owed by Skagit Health to Grantor under the Skagit Health Lease shall not be unreasonably withheld, conditioned, or delayed; (2) waive, excuse, condone or in any manner release or discharge Required Tenant (as defined in the Loan Agreement) of or from any obligations, covenants, conditions and

agreements to be performed under the Required Lease; or (3) enter into any additional Leases of all or any part of the Project.

(vi) Grantor shall give immediate notice to Huntington of any notice Grantor receives from any tenant under the Leases, specifying any claimed default by any party under the Leases.

(vii) No settlement for damages for termination of any of the Leases under the Federal Bankruptcy Code, or under any other federal, state, or local statute, shall be made without the prior written consent of Huntington, which consent may be withheld in Huntington's sole discretion, and any check in payment of such damages shall be made payable to both Grantor and Huntington. Grantor hereby assigns any such payment to Huntington, to be applied to the Indebtedness as Huntington may elect, and agrees to endorse any check for such payment to the order of Huntington.

(viii) All existing Leases are valid, unmodified and in full force and effect, there are no existing defaults under any of the Leases and Grantor has not performed any act or executed any instrument which might prevent Huntington from operating under any of the terms and provisions thereof or which would limit Huntington in such operation.

(ix) All future Leases shall be in a form reasonably acceptable to Huntington. Grantor shall provide to Huntington, with each prospective Lease, financial statements for the prospective tenant and any guarantor and plans, specifications and costs for any tenant finish to be provided by Grantor.

(x) Grantor shall deliver to Huntington copies of each of the Leases once fully executed. Unless otherwise directed by Huntington, all Leases shall specifically provide that such Leases are subordinate to the Mortgage; that the tenant attorns to Huntington, such attornment to be effective upon Huntington's acquisition of title to the Mortgaged Property; that the tenant agrees to execute such further subordination and attornment agreements and estoppel certificates as Huntington may from time to time request; that the attornment of the tenant shall not be terminated by foreclosure; and that Huntington may, at Huntington's option, accept or reject such attornment.

(c) Huntington shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Grantor under any of the Leases; and Grantor hereby agrees to indemnify Huntington for, and to save Huntington harmless from, any and all liability, damage or expense arising from any of the Leases or from this assignment, including, without limitation, claims by tenants for security deposits or for rental payments more than one (1) month in advance and not delivered to Huntington. All amounts indemnified against hereunder, including reasonable attorneys' fees, if paid by Huntington shall bear interest at the Default Rate of Interest, as defined in the Note, and shall be payable by Grantor immediately without demand and shall be secured hereby. This assignment shall not place responsibility for the control, care, management, or repair of the Mortgaged Property upon Huntington, or make Huntington

responsible or liable for any negligence in the management, operation, upkeep, repair or control of same resulting in loss or damage or injury or death to any party.

(d) Upon the occurrence of an Event of Default as hereinafter defined:

(i) All Rents assigned hereunder shall be paid directly to Huntington, and Huntington may notify the tenants under the Leases (or any other parties in possession of the Mortgaged Property) to pay all of the Rents directly to Huntington at the address specified in Section 27 hereof, for which this assignment shall be sufficient warrant;

(ii) Huntington shall have the right to forthwith enter and take possession of the Mortgaged Property and to manage, operate, lease and develop the same; to collect as hereunder provided all or any Rents payable under the Leases; to make repairs as Huntington deems appropriate; and to perform such other acts in connection with the management, operation, development, leasing and construction of the Mortgaged Property as Huntington, in its sole discretion, may deem proper; and

(iii) Huntington shall have the right to forthwith enter into and upon the Mortgaged Property and take possession thereof, and to appoint an agent, or in the event of the institution of foreclosure proceedings to have a receiver appointed for the collection of the Rents.

In the event that Huntington shall pursue its remedies under Subsections 17(d)(ii) or (iii) above, the net income, after allowing a reasonable fee for the collection thereof and the management of the Mortgaged Property, may be applied toward the payment of taxes, assessments, insurance premiums, repairs, protection of the Mortgaged Property or Huntington's lien thereon, and other charges against the Mortgaged Property and the costs of procurement of such insurance and of evidence of title to the Mortgaged Property, or any of them, or in the reduction of the Indebtedness and the payment of interest, as Huntington may elect. If the Rents are not sufficient to meet the costs, if any, of taking control of and managing the Mortgaged Property and collecting the Rents, any funds expended by Huntington for such purposes shall become indebtedness of Grantor to Huntington secured by the Instrument. Unless Huntington and Grantor agree in writing to other terms of payment, such amounts shall be payable upon demand from Huntington to Grantor and shall bear interest from the date of disbursement at the Default Rate of Interest stated in the Note.

The exercise or failure to exercise any of the above remedies shall not in any way preclude or abridge the right of Huntington to foreclose the Instrument or to take any other legal or equitable action thereon. Huntington shall have such rights or privileges as aforesaid regardless of the value of the Mortgaged Property given as security hereunder, and regardless of the solvency or insolvency of any party bound for the payment of the Indebtedness or the other sums hereby secured.

(e) Grantor hereby authorizes and directs the tenants under the Leases to pay Rents to Huntington upon written demand by Huntington, without further consent of Grantor, and the

tenants may rely upon any written statement delivered by Huntington to the tenants. Any such payment to Huntington shall constitute payment to Grantor under the Leases.

(f) There shall be no merger of the leasehold estates, created by the Leases, with the fee estate of the Property and Improvements without the prior written consent of Huntington.

18. Security Agreement. This Instrument is intended to be a security agreement pursuant to the Uniform Commercial Code as now or hereafter enacted in the State of Washington (the "UCC") for any Mortgaged Property comprising personal property and fixtures, which may be subject to a security interest pursuant to the UCC, including, without limiting the generality thereof, any and all Collateral (as defined, described, or referred to, in Section 9-102 of the UCC), and Grantor hereby grants to Huntington a security interest in said personal property and fixtures, whether said property is now existing or hereafter acquired, together with replacements, replacement parts, additions, repairs and accessories incorporated therein or affixed thereto and, if sold or otherwise disposed of, the proceeds (including insurance proceeds) thereof. Grantor authorizes Huntington to file and Grantor agrees to execute and deliver to Huntington UCC financing statements covering said personal property and fixtures from time to time and in such form as Huntington may require to perfect or maintain the priority of Huntington's security interest with respect to said personal property and fixtures, and Grantor shall bear all costs thereof, including all UCC searches reasonably required by Huntington. Grantor shall not create or suffer to be created any other security interest in said personal property and fixtures, including replacements thereof and additions thereto. Upon the occurrence of any Event of Default as set forth in Section 19 hereof, Huntington shall have the remedies of a secured party under the UCC and, at Huntington's option, may also invoke the remedies provided in Section 19 hereof with respect to such property.

19. Default; Remedies.

(a) *Default.* The term "Event of Default" shall have the same meaning as set forth in the Note, which meaning is incorporated by this reference herein. Upon the occurrence of any such Event of Default, at the option of Huntington, without notice or demand, the same being hereby expressly waived, the entire amount shall become immediately due and payable, and, in addition to any other right or remedy which Huntington may now or hereafter have at law, in equity, or under the Loan Documents, Huntington shall have the right and power: (i) to foreclose upon the Instrument and the lien hereof; (ii) to sell the Mortgaged Property according to law; (iii) to enter upon and take possession of the Mortgaged Property and/or have a receiver appointed therefor as set forth in Section 17 hereof; and (iv) to complete the development, construction and equipping of the Improvements and the Mortgaged Property, as provided in the Loan Agreement.

(b) *Remedies Upon Default.* At any time after an Event of Default, Huntington shall be entitled to invoke any and all of the rights and remedies described below, in addition to all other rights and remedies available to Huntington at law or in equity. All of such

rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

(i) Huntington may declare any or all of the Indebtedness or the Obligations to be due and payable immediately, whereupon all unpaid principal, interest and fees in respect of such Indebtedness or Obligations, together with all of Huntington's costs, expenses and attorneys' fees related thereto, under the terms of the Loan Documents or otherwise, shall be immediately due and payable;

(ii) Exercise any and all rights and remedies available to Huntington under any applicable law;

(iii) Huntington shall, as a matter of right, without notice and without giving bond to Grantor or anyone claiming by, under or through Grantor, and without regard for the solvency or insolvency of Grantor or the then value of the Mortgaged Property, to the extent permitted by applicable law, be entitled to have a receiver appointed for all or any part of the Mortgaged Property and the Rents, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Grantor hereby consents to the appointment of such receiver, waives any right Grantor might otherwise have to require the posting of a bond in connection with the appointment of a receiver, and shall not oppose any such appointment. Such receiver shall have all powers and duties prescribed by applicable law, all other powers which are necessary or usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property, and such rights and powers as Huntington would have, upon entering and taking possession of the Mortgaged Property under subsection (v) below.

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

(v) Huntington may cure any breach or default of Grantor, and if it chooses to do so in connection with any such cure, Huntington may also enter the Property and/or do any and all other things which it may in its sole discretion consider necessary and

appropriate to protect the security of this Instrument, including, without limitation, completing construction of the improvements at the Property contemplated by the Loan Agreement. Such other things may include: appearing in and/or defending any action or proceeding which purports to affect the security of, or the rights or powers of Huntington under this Instrument; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Huntington's sole judgment is or may be senior in priority to this Instrument, such judgment of Huntington or to be conclusive as among the parties to this Instrument; obtaining insurance and/or paying any premiums or charges for insurance required to be carried under the Loan Agreement; otherwise caring for and protecting any and all of the Mortgaged Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Huntington. Huntington may take any of the actions permitted under this Subsection either with or without giving notice to any person. Any amounts expended by Huntington under this Subsection shall be secured by this Instrument.

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

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

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

(ix) For purposes of this power of sale, Huntington and/or Trustee, as permitted by applicable law, may elect to treat as personal property any Mortgaged Property

which is intangible or which can be severed from the Property or Improvements without causing structural damage. If it chooses to do so, Huntington and/or Trustee, as permitted by applicable law, may dispose of any personal property, in any manner permitted by Article 9 of the Uniform Commercial Code of the state in which the Mortgaged Property is located, including any public or private sale, or in any manner permitted by any other applicable law.

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

(xi) If the Mortgaged Property consists of more than one lot, parcel or item of property, Huntington and/or Trustee, as permitted by applicable law, may:

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

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

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

(c) *Credit Bids.* At any Foreclosure Sale, any person, including Grantor or Huntington, but excluding the Trustee, may bid for and acquire the Mortgaged Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for such property, Huntington may settle for the purchase price by crediting the sales price of the property against the following obligations:

(i) First, the portion of the Indebtedness attributable to the expenses of sale, costs of any action and any other sums for which Grantor is obligated to pay or reimburse Huntington and Trustee under this Instrument; and

(ii) Second, all other portions of the Indebtedness and the Obligations in any order and proportions as Huntington, in its sole discretion, may choose.

(d) *Application of Foreclosure Sale Proceeds.* Huntington shall apply the proceeds of any Foreclosure Sale in the following manner:

(i) First, to pay the portion of the Indebtedness attributable to the expenses of sale, costs of any action and any other sums for which Grantor is obligated to reimburse Huntington or Trustee under this Instrument;

(ii) Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Huntington under the terms of this Instrument which then remain unpaid;

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

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

20. No Waiver. The failure of Huntington to exercise any option to declare the maturity of the principal debt or any other sums hereby secured under any provision of any of the Loan Documents, or to forbear from exercising any right or remedy available to Huntington under any provision of any of the other Loan Documents, shall not be taken or deemed a waiver of the right to exercise such option, right or remedy, or declare such maturity as to such past, continuing or subsequent violation of any of the covenants and agreements of the Loan Documents. Acceptance by Huntington of partial payments shall not constitute a waiver of any Event of Default, as hereinafter defined. From time to time, Huntington may, at Huntington's option, without giving notice to or obtaining the consent of Grantor, Grantor's successors or assigns, any junior lienholder or any of the Guarantors, without liability on Huntington's part and notwithstanding Grantor's breach of any covenant or agreement of Grantor in the Instrument, extend the time for payment of the Indebtedness, or any part thereof, reduce the payments thereon, release anyone liable on any of said Indebtedness, accept a renewal note or notes therefor, modify the terms and time of payment of said Indebtedness, release from the lien of the Instrument any part of the Mortgaged Property, take or release other or additional security, reconvey any part of the Mortgaged Property, consent to any map or plan of the Mortgaged Property, consent to the granting of any easement, join in any extension or subordination agreement, or agree in writing with Grantor to modify the rate of interest or period of amortization of the Note or to change the amount of the monthly installments payable thereunder. Any actions taken by Huntington pursuant to the terms of this Section shall not affect the obligation of Grantor or Grantor's

successors, or assigns to pay the sums secured by the Instrument and to observe the covenants of Grantor contained herein, shall not affect the guaranty of any of the Guarantors, and shall not affect the lien or priority of lien of the Instrument on the Mortgaged Property. Grantor shall pay Huntington a reasonable service charge, together with such title insurance premiums and attorneys' fees as may be incurred at Huntington's option for any such action if taken at Grantor's request.

21. Parcels: Waiver of Marshalling. In the event of foreclosure of the Instrument, the Mortgaged Property may be sold in one or more parcels or as an entirety as Huntington may elect.

Notwithstanding the existence of any other security interests in the Mortgaged Property held by Huntington or by any other party, Huntington shall have the right to determine the order in which any or all of the Mortgaged Property shall be subjected to the remedies provided herein. Huntington shall have the right to determine the order in which any or all portions of the Indebtedness are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Grantor, any party who becomes liable for Grantor's obligations and covenants under the Instrument, and any party who now or hereafter acquires a security interest in the Mortgaged Property, or any portion thereof, hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

22. Costs of Collection. Grantor hereby agrees to pay to Huntington all costs of foreclosing the Instrument, and all costs of enforcing, collecting and securing, and of attempting to enforce, collect and secure, the Note, including, without limitation, reasonable attorneys' fees, appraisers' fees, court costs, notice charges and title insurance charges, whether such attempt be made by suit, in bankruptcy, or otherwise, and such costs and any other sums due Huntington under the Loan Documents may be included in any judgment or decree rendered.

23. Reserved.

24. The Trustee.

(a) *Certain Rights.* With the approval of Huntington, Trustee shall have the right to take any and all of the following actions: (i) to select, employ and consult with counsel (who may be, but need not be, counsel for Huntington) upon any matters arising hereunder, including the preparation, execution and interpretation of the Loan Documents, and shall be fully protected in relying as to legal matters on the advice of counsel, (ii) to execute any of the trusts and powers hereof and to perform any duty hereunder either directly or through the Trustee's agents or attorneys, (iii) to select and employ, in and about the execution of the Trustee's duties hereunder, suitable accountants, engineers and other experts, agents and attorneys in fact, either corporate or individual, not regularly in the employ of Trustee (and Trustee shall not be answerable for any act, default, negligence, or misconduct of any such accountant, engineer or other expert, agent or attorney in fact, if

selected with reasonable care, or for any error of judgment or act done by Trustee in good faith, or be otherwise responsible or accountable under any circumstances whatsoever, except for Trustee's gross negligence or bad faith), and (iv) any and all other lawful action that Huntington may instruct Trustee to take to protect or enforce Huntington's rights hereunder. Trustee shall not be personally liable in case of entry by Trustee, or anyone entering by virtue of the powers herein granted to Trustee, upon the Mortgaged Property for debts contracted for or liability or damages incurred in the management or operation of the Mortgaged Property. Trustee shall have the right to rely on any instrument, document, or signature authorizing or supporting any action taken or proposed to be taken by Trustee hereunder, believed by Trustee in good faith to be genuine. Trustee shall be entitled to reimbursement for reasonable expenses incurred by Trustee in the performance of Trustee's duties hereunder and to reasonable compensation for such of Trustee's services hereunder as shall be rendered. Grantor will, from time to time, pay the compensation due to Trustee hereunder and reimburse Trustee for, and save and hold Trustee harmless against, any and all liability and expenses which may be incurred by Trustee in the performance of Trustee's duties, except to the extent arising in connection with the Trustee's gross negligence and/or willful misconduct or bad faith.

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

(c) *Successor Trustees.* Trustee may resign by the giving of notice of such resignation in writing to Huntington. If Trustee shall die, resign or become disqualified from acting in the execution of this trust, or if, for any reason, Huntington, in Huntington's sole discretion and with or without cause, shall prefer to appoint a substitute trustee or multiple substitute trustees, or successive substitute trustees or successive multiple substitute trustees, to act instead of the aforementioned Trustee, Huntington shall have full power to appoint a substitute trustee (or, if preferred, multiple substitute trustees) in succession who shall succeed (and if multiple substitute trustees are appointed, each of such multiple substitute trustees shall succeed) to all the estates, rights, powers and duties of the aforementioned Trustee. Such appointment may be executed by any authorized agent of Huntington, and if such grantee be a corporation and such appointment be executed on its behalf by any officer of such corporation, such appointment shall be conclusively presumed to be executed with authority and shall be valid and sufficient without proof of any action by the board of directors or any superior officer of the corporation. Grantor hereby ratifies and confirms any and all acts which the aforementioned Trustee, or his or her successor or successors in this trust, shall do lawfully by virtue hereof. If multiple substitute trustees are appointed, each of such multiple substitute trustees shall be empowered and authorized to act alone without the necessity of the joinder of the other multiple substitute trustees, whenever any action or undertaking of such substitute trustees is requested or required under or pursuant to this Instrument or applicable law. Any prior election to act jointly or severally shall not prevent either or both of such multiple substitute Trustees from subsequently executing, jointly or severally, any or all of the provisions hereof.

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

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

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

(g) *Trustee's Powers and Duties Upon Default.* The procedure for exercise of the Trustee's power of sale shall be as follows:

(i) Upon request therefor by Huntington specifying the nature of the default, or the nature of the several defaults, and the amount or amounts due and owing, Trustee shall execute a written notice of breach and of its election to cause the Mortgaged Property to be sold to satisfy the obligation secured hereby, and shall cause such notice to be recorded and otherwise given according to law.

(ii) Notice of sale having been given as then required by law and not less than the time then required by law having elapsed after recordation of such notice of breach, Trustee, without demand on Grantor, shall sell the Mortgaged Property at the time and place of sale specified in the notice, as provided by statute, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest and best bidder for cash in lawful money of the United States, payable at time of sale. Grantor agrees that such a sale (or a sheriff's sale pursuant to judicial foreclosure) of all the Mortgaged Property in accordance with the rights with respect to the real property portion of the Mortgaged Property pursuant to RCW 62A.9A-604(a)(2) constitutes a commercially reasonable disposition thereof, but that with respect to all or any part of the Mortgaged Property which may be personal property Trustee shall have and exercise, at

Huntington's sole election, all the rights and remedies of a secured party under the UCC. Whenever notice is permitted or required hereunder or under the UCC, ten (10) days shall be deemed reasonable unless a longer period for notice is provided hereunder or under law. Trustee may postpone sale of all or any portion of the Mortgaged Property, and from time to time thereafter may postpone such sale, as provided by statute. Trustee shall deliver to the purchaser its deed and bill of sale conveying the Mortgaged Property so sold, but without any covenant or warranty, express or implied. The recital in such deed and bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person other than Trustee, including Grantor or Huntington, may purchase at such sale.

(h) *Indemnification.*

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

- (A) In performing any act required or permitted by this Instrument or any of the other Loan Documents or by law;
- (B) Because of any failure of Grantor to perform any of its obligations;
or
- (C) Because of any alleged obligation of or undertaking by Huntington and/or Trustee to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document relating to the Property other than the Loan Documents.

- (ii) This agreement by Grantor to indemnify Huntington and Trustee shall survive the release and cancellation of any or all of the Indebtedness and/or Obligations, and the full or partial release of this Instrument.

- (iii) Grantor shall pay all obligations to pay money arising under this subsection immediately upon demand by Huntington. Each such obligation shall be added to, and considered to be part of, the principal of the Indebtedness, and shall bear interest from the date the obligation arises at the Default Rate.

25. Subordinate Mortgages. Grantor shall not, without the prior written consent of Huntington, which consent may be withheld in Huntington's sole discretion, after the Effective Date, grant or permit to be created any lien, security interest or other encumbrance, other than Permitted Encumbrances covering any of the Mortgaged Property (each a "Subordinate Instrument"). If Huntington consents to a Subordinate Instrument or if the

foregoing prohibition is determined by a court of competent jurisdiction to be unenforceable, any such Subordinate Instrument shall contain express covenants to the effect that:

(a) the lien of the Subordinate Instrument and all instruments incorporated therein by reference is and always shall be unconditionally subordinate to the lien of the Instrument and to all advances made pursuant to, and sums secured by, the Instrument, and the Instrument and all instruments incorporated herein by reference may be renewed, extended, restructured, modified, increased or reinstated at any time without giving notice to or obtaining the consent of the Subordinate Instrument holder;

(b) if any action shall be instituted to foreclose or otherwise enforce the Subordinate Instrument, no tenant of any of the Leases shall be named as a party defendant and no action shall be taken which would terminate any occupancy or tenancy without the prior written consent of Huntington;

(c) in the event of any conflict between the covenants and agreements of the Instrument and the Subordinate Instrument, the covenants and agreements of the Instrument shall prevail;

(d) Rents, if collected by or for the holder of the Subordinate Instrument, shall be applied first to the payment of the Indebtedness and expenses incurred in the ownership, operation and maintenance of the Mortgaged Property in such order as Huntington may determine, prior to being applied to any indebtedness secured by the Subordinate Mortgage;

(e) a copy of any notice of default under the Subordinate Instrument and written notice and opportunity to cure of not less than thirty (30) days prior to the commencement of any action to foreclose or otherwise enforce the Subordinate Instrument shall be given to Huntington; and

(f) the holder of the Subordinate Instrument shall acknowledge the existence of the Indebtedness secured hereby and further acknowledge that the lien of the Instrument shall at all times be and remain superior and prior to the lien of the Subordinate Instrument to the extent of the entire Indebtedness secured hereby notwithstanding any change in the variable rate of interest being charged under the Note.

26. Tenant Non-Disturbance Agreements. Upon request by Grantor, within thirty (30) days, Huntington shall execute and deliver to Grantor a non-disturbance agreement in favor of any tenant in accordance with its Lease with Grantor, upon terms and conditions reasonably acceptable to Huntington, including a provision providing that, so long as tenant is not in default beyond any applicable notice and cure period under its lease, then tenant's occupancy rights shall not be disturbed as a result of any default by Grantor under the Loan Documents.

27. Notice. Any notice required or permitted to be given hereunder shall be in writing. If mailed by first class United States mail, postage prepaid, registered or certified

with return receipt requested, then such shall be effective upon its deposit in the mails. Notice given in any other manner shall be effective only if and when received by the addressee. For purposes of notice, the addresses of Grantor and Huntington shall be as set forth below; provided however, that any party shall have the right to change such party's address for notice hereunder to any other location within the continental United States by the giving of thirty (30) days' notice to the other party.

If to Grantor: VWA – Mount Vernon, LLC
c/o Visconsi Companies, Ltd.
30050 Chagrin Boulevard, Suite 360
Pepper Pike, Ohio 44124-5774
Attn: Alan D. Prince
Attn: Dominic A. Visconsi, Jr.

With a copy to: Taft Stettinius & Hollister LLP
200 Public Square, Suite 3500
Cleveland, Ohio 44114-2302
Attn: William M. Phillips

If to Huntington: The Huntington National Bank
Commercial Real Estate Group
200 Public Square (CM17)
Cleveland, Ohio 44114

With a copy to: Thompson Hine LLP
3900 Key Center
127 Public Square
Cleveland, Ohio 44114
Attn: Christopher J. Diehl

28. Miscellaneous. The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. If any provision of the Instrument is illegal, or hereafter rendered illegal, or is for any other reason void, voidable or otherwise unenforceable, or hereafter rendered void, voidable or otherwise unenforceable, the remainder of the Instrument shall not be affected thereby, but shall be construed as if it does not contain such provision. Each right and remedy provided in the Instrument is distinct and cumulative to all other rights or remedies under the Instrument or afforded by law or equity, and may be exercised concurrently, independently or successively, in any order whatsoever. The Instrument shall be governed by and construed under the laws of the State of Washington.

PROVIDED, HOWEVER, that these presents are upon the condition that if Grantor shall fully and promptly pay when due the Indebtedness and shall completely, faithfully and punctually perform all of the obligations under the terms and conditions of the Loan Documents,

then the Instrument shall be void; otherwise it shall remain in full force and effect in law and equity forever.

29. Certain Provisions Relating to the Laws of the State of Washington. Certain provisions/sections of this Instrument and certain additional provisions/sections that are required by laws of the State of Washington may be amended, described and/or otherwise set forth in more detail on Exhibit C attached hereto, which Exhibit C is incorporated into and made a part of this Section 29. In the event of any conflict between Exhibit C and any provision in the body of this Instrument, the provision in Exhibit C shall control.

30. Partial Releases. Huntington will consent to the sale of portions of the Mortgaged Property and the release of that portion of the Mortgaged Property from the lien and operation of this Instrument, upon Grantor's request and at Grantor's expense, contingent upon the satisfaction of all the terms and conditions of Section 2.26 of the Loan Agreement. Upon Grantor's satisfaction thereof and upon the recording of a partial release for the portion of the Mortgaged Property to be released, then that portion of the Mortgaged Property so released shall no longer be a part of the "Property," the "Project," or the "Mortgaged Property," under this Instrument.

31. **ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW**

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK—
SIGNATURE PAGE TO IMMEDIATELY FOLLOW]

IN WITNESS WHEREOF, Grantor has caused this Instrument to be executed as of the Effective Date, but actually executed on the date set forth in the notary acknowledgments attached hereto.

GRANTOR:

VWA – Mount Vernon, LLC, an Ohio limited liability company

By: Donna A. Visconsi, Jr.
Dominic A. Visconsi, Jr., Manager

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

This is an acknowledgment clause. No oath or affirmation was administered to the undersigned.

The foregoing instrument was acknowledged before me this 23rd day of June, 2021, by Dominic A. Visconsi, Jr., the Manager of VWA – Mount Vernon, LLC, an Ohio limited liability company, on behalf of the limited liability company. This is an acknowledgment clause. No oath or affirmation was administered to the signer.

Donna J. Swidarski
Notary Public

My Commission Expires: 5-26-24

This instrument prepared by
and after recording return to:
Thompson Hine LLP
3900 Key Center
127 Public Square
Cleveland, Ohio 44114
Attn: William R. Weir

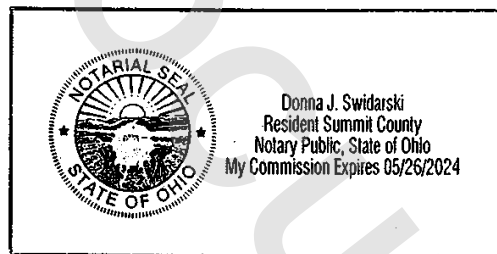


Exhibit A

The Land referred to herein below is situated in the County of Skagit, State of Washington, and is described as follows:

LOTS 1 THRU 4

LOTS 1, 2 AND 4 OF MOUNT VERNON BOUNDARY LINE ADJUSTMENT NO. ENGR 19-0308 APPROVED OCTOBER 2, 2019 AND RECORDED OCTOBER 3, 2019 AS AUDITOR'S FILE NO. 201910040056, BEING A PORTION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 20, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

Commonly known as: 805, 810, and 900 South Fifth Street, Mount Vernon, WA
Parcel No.: P134969 (Lot 1), P134970 (Lot 2), and P134972 (Lot 4).

LOT 6

LOT 6 OF MOUNT VERNON BOUNDARY LINE ADJUSTMENT NO. ENGR 19-0308 APPROVED OCTOBER 2, 2019 AND RECORDED OCTOBER 3, 2019 AS AUDITOR'S FILE NO. 201910040056, BEING A PORTION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 20, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

TOGETHER WITH THAT PORTION OF THE STRIP OF LAND DESCRIBED ON AUDITOR'S FILE NO. 201910280074 LYING WESTERLY OF THE EASTERLY LINES OF SAID LOT 6 EXTENDED IN A STRAIGHT LINE BETWEEN THE NORTHERLY AND SOUTHERLY PORTIONS OF SAID LOT 6.

Commonly known as: 901 South Fifth Street, Mount Vernon, WA
Parcel No.: P134974

LOT 7

LOT 7 OF MOUNT VERNON BOUNDARY LINE ADJUSTMENT NO. ENGR 19-0308 APPROVED OCTOBER 2, 2019 AND RECORDED OCTOBER 3, 2019 AS AUDITOR'S FILE NO. 201910040056, BEING A PORTION OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 20, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

TOGETHER WITH THAT PORTION OF THE STRIP OF LAND DESCRIBED ON AUDITOR'S FILE NO. 201910280074 LYING EASTERLY OF THE EASTERLY LINES OF LOT 6 OF SAID BOUNDARY LINE ADJUSTMENT EXTENDED IN A STRAIGHT LINE BETWEEN THE NORTHERLY AND SOUTHERLY PORTIONS OF SAID LOT 6.

Commonly known as 900 South Fifth Street, Mount Vernon, WA
Parcel No.: P134975

PARCEL "AA"

THAT PORTION OF LOTS 8, 9, 10 AND 11, BLOCK 3, AND THAT PORTION OF SOUTH 6TH STREET LYING BETWEEN SAID BLOCK 3 AND BLOCK 2 OF KINCAID'S ADDITION TO MOUNT VERNON, AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 84, RECORDS OF SKAGIT COUNTY, WASHINGTON LYING WESTERLY OF A LINE DRAWN PARALLEL WITH AND 85
4840-6633-3661

FEET DISTANT SOUTHWESTERLY MEASURED AT RIGHT ANGLES, FROM THE KINCAID STREET RAMP CENTERLINE OF PRIMARY HIGHWAY NO. 1, CONWAY JCT., PRIMARY STATE HIGHWAY NO. 1, NORTH OF BURLINGTON, THE SPECIFIC DETAILS CONCERNING ALL OF WHICH ARE TO BE FOUND WITHIN THAT CERTAIN MAP OF DEFINITE LOCATION NOW OF RECORD AND ON FILE IN THE OFFICE OF THE DIRECTOR OF HIGHWAYS AT OLYMPIA, AND BEARING DATE OF APPROVAL JANUARY 27, 1953, REVISED NOVEMBER 3, 1954.

EXCEPT THAT PORTION, THEREOF, IF ANY, NOT LYING WITHIN THE PROPERTY CONVEYED TO THE CITY OF MOUNT VERNON BY DEED RECORDED AS AUDITOR'S FILE NO. 842193.

Commonly known as 902 South Fifth Street, Mount Vernon, WA
Parcel No.: P53379

PARCEL "CC"

LOTS 1 TO 4, INCLUSIVE, BLOCK 1 "KINCAID'S ADDITION TO MOUNT VERNON, SKAGIT CO., WASH.", AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 84, RECORDS OF SKAGIT COUNTY.

EXCEPTING THEREFROM THAT PORTION LYING NORTHEASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT OF INTERSECTION OF THE SOUTH LINE OF SAID LOT 4 WITH THE WESTERLY RIGHT OF WAY LINE OF SR 5, AS SHOWN ON SR5, MOUNT VERNON: BLACKBURN ST. TO SKAGIT RIVER, AS IT EXISTED ON JULY 7, 2018; THENCE NORTHWESTERLY ALONG SAID WESTERLY RIGHT OF WAY LINE TO A POINT ON THE WEST LINE OF SAID LOT 1, BEING A POINT OPPOSITE HIGHWAY ENGINEER'S STATION K 2+80, ON THE K LINE SURVEY OF SAID HIGHWAY, AND 70 FEET SOUTHERLY THEREFROM AND THE TERMINUS OF THIS LINE DESCRIPTION. THE SPECIFIC DETAILS CONCERNING ALL OF WHICH MAY BE FOUND ON SHEET 4 OF 8 SHEETS OF THAT CERTAIN PLAN ENTITLED SR5, MOUNT VERNON: BLACKBURN ST. TO SKAGIT RIVER, NOW OF RECORD AND FILE IN THE OFFICE OF THE SECRETARY OF TRANSPORTATION AT OLYMPIA, AND BEARING DATE OF APPROVAL FEBRUARY 25, 1971, REVISED JULY 6, 2018.

TOGETHER WITH THE NORTH 1/2 OF THAT PORTION OF THE VACATED ALLEY ADJOINING THE SOUTH LINE OF SAID BLOCK 1 THAT HAS REVERTED THERETO BY OPERATION OF LAW.

Commonly known as: 800 South Fifth Street, Mount Vernon, WA
Parcel No.: P53372

Exhibit B

(Permitted Encumbrances)

1. Taxes and assessments for the second half of 2021 and subsequent years, not yet due and payable.
2. Those items appearing on Schedule B of Huntington's Loan Policy of Title Insurance issued by First American Title Insurance Company in connection with this Instrument.

Exhibit C

1. Grantee's Lien for Service Charge and Expenses. At all times, regardless of whether any Loan proceeds have been disbursed, this Instrument secures (in addition to any Loan proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Huntington not to exceed the maximum amount secured hereby.

2. Commercial Loan. The loan secured by this Instrument is a "commercial loan," as that term is defined in RCW 61.24.005(7), and is not made primarily personal, family or household purposes.

3. Non-Agricultural Use. The Land is not presently, nor will during the term of this Deed of Trust be, used principally or at all for agricultural or farming purposes.

4. Indemnity Agreement Not a Loan Document. Notwithstanding anything in this Instrument to the contrary, the "Loan Documents" mean those documents, instruments and agreements defined as "Loan Documents" in the Loan Agreement, but not including the "Environmental Indemnity" as defined therein, or any guaranty agreement. **This Instrument does not secure Grantor's obligations to Huntington under the Environmental Indemnity or any (or the substantial equivalent thereof) or the obligations of any guarantor under any guaranty of the obligations or the substantial equivalent of the obligations arising under any such guaranty. All of such obligations (and substantial equivalents thereof) shall constitute the separate, unsecured recourse obligations of Grantor and/or such guarantors and shall not be deemed to be security by this Instrument.**

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

6. Reconveyance. Upon written request of Huntington stating that all sums secured hereby have been paid, and upon payment of its fees, Trustee shall reconvey, without warranty, the Mortgaged Property then held hereunder. The recitals in any reconveyance executed under this Instrument of any matters of fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

7. Application of Rents and Other Sums. Huntington shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale which Huntington may receive or collect under Section 8 above, in the following manner:

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

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

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

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

8. Compensation, Exculpation, Indemnification.

(a) Grantor agrees to pay fees in the maximum amounts legally permitted, or reasonable fees as may be charged by Huntington when the law provides no maximum limit, for any services that Huntington or Trustee may render in connection with this Instrument, including Huntington's providing a statement of the Indebtedness. Grantor shall also pay or reimburse all of Huntington's or Trustee's costs and expenses which may be incurred in rendering any such services. Grantor further agrees to pay or reimburse Huntington for all costs, expenses and other advances which may be incurred or made by Huntington or Trustee in any efforts to enforce any terms of this Instrument, including any rights or remedies afforded to Huntington and Trustee under this Instrument whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Instrument, including attorneys' fees and other legal costs, costs of any Foreclosure Sale and any cost of evidence of title. If Huntington and/or Trustee, as required by applicable law, chooses to dispose of Mortgaged Property through more than one Foreclosure Sale, Grantor shall pay all costs, expenses or other advances that may be incurred or made by Huntington and/or Trustee in each of such Foreclosure Sales. In any suit to foreclose the lien hereof or enforce any other remedy of Huntington or Trustee under this Instrument or the Loan Agreement, there shall be allowed and included as additional Indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Huntington and Trustee for reasonable attorneys' costs and fees (including the costs and fees of paralegals), survey charges, appraiser's fees, inspecting engineer's and/or architect's fees, fees for environmental studies and assessments and all additional expenses incurred by Huntington and Trustee with respect to environmental matters, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies and similar data and assurances with respect to title as Huntington and Trustee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to, the value of or the environmental condition of the Mortgaged Property. All expenditures and expenses of the nature in this Subsection mentioned, and such expenses and fees as may be incurred in the protection of

the Mortgaged Property and maintenance of the lien of this Instrument, including the fees of any attorney (including the costs and fees of paralegals) employed by Huntington or Trustee in any litigation or proceeding affecting this Instrument, the Loan Agreement or the Mortgaged Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Grantor, with interest thereon at the Default Rate and shall be secured by this Instrument.

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

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

(ii) Huntington's failure or refusal to perform or discharge any obligation or liability of Grantor under any agreement related to the Mortgaged Property or under this Instrument; or

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

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