

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) <div style="border: 1px solid black; padding: 5px; margin: 5px 0;">Cassin & Cassin LLP 711 Third Avenue, 20th Floor New York, New York 10017 Attention: Recording Department</div>

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME CEP III - FOUR PINES 22, LLC				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S) INITIAL(S)	SUFFIX
1c. MAILING ADDRESS	CITY		STATE	POSTAL CODE COUNTRY
c/o Coast Equity Partners III, LLC, 2829 Rucker Avenue	Everett		WA	98201 USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here ☐ and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S) INITIAL(S)	SUFFIX
2c. MAILING ADDRESS	CITY		STATE	POSTAL CODE COUNTRY

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME FANNIE MAE				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S) INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY		STATE	POSTAL CODE COUNTRY
c/o JLL Real Estate Capital, LLC 2177 Youngman Avenue	St. Paul		MN	55116 USA

4. COLLATERAL: This financing statement covers the following collateral:

See Schedule A to UCC attached hereto and a part hereof.

Lot(s): 4, Burlington BSP No. BURL-BSP-2-00 in SW, 5-34-4E, W.M.
Tax Account No.: P117983 / 8031-000-004-0000

5. Check <u>only</u> if applicable and check <u>only</u> one box: Collateral is <input type="checkbox"/> held in a Trust (see UCC1Ad, item 17 and instructions) <input type="checkbox"/> being administered by a Decedent's Personal Representative	
6a. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Public-Finance Transaction <input type="checkbox"/> Manufactured-Home Transaction <input type="checkbox"/> A Debtor is a Transmitting Utility	
6b. Check <u>only</u> if applicable and check <u>only</u> one box: <input type="checkbox"/> Agricultural Lien <input type="checkbox"/> Non-UCC Filing	
7. ALTERNATIVE DESIGNATION (if applicable) <input type="checkbox"/> Lessee/Lessor <input type="checkbox"/> Consignee/Consignor <input type="checkbox"/> Seller/Buyer <input type="checkbox"/> Bailee/Bailor <input type="checkbox"/> Licensee/Licensor	
8. OPTIONAL FILER REFERENCE DATA File with the County Clerk of SKAGIT County, WASHINGTON JLL/FOUR PINES APARTMENTS	

UCC FINANCING STATEMENT (Form UCC1) (Rev. 04/20/11)

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CTI NCS 220807-NCS

UCC FINANCING STATEMENT ADDENDUM**FOLLOW INSTRUCTIONS**

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement. If line 1b was left blank because Individual Debtor name did not fit, check here <input type="checkbox"/>						
OR	9a. ORGANIZATION'S NAME CEP III - FOUR PINES 22, LLC					
	9b. INDIVIDUAL'S SURNAME					
	FIRST PERSONAL NAME					
	ADDITIONAL NAME(S)/INITIAL(S)			SUFFIX		
THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY						
10. DEBTOR'S NAME: Provide (10a or 10b) only ONE additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c:						
OR	10a. ORGANIZATION'S NAME					
	10b. INDIVIDUAL'S SURNAME					
	INDIVIDUAL'S FIRST PERSONAL NAME					
	INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)			SUFFIX		
10c. MAILING ADDRESS		CITY	STATE	POSTAL CODE	COUNTRY	
11. <input type="checkbox"/> ADDITIONAL SECURED PARTY'S NAME or <input checked="" type="checkbox"/> ASSIGNOR SECURED PARTY'S NAME: Provide only ONE name (11a or 11b)						
OR	11a. ORGANIZATION'S NAME JLL REAL ESTATE CAPITAL, LLC					
	11b. INDIVIDUAL'S SURNAME		FIRST PERSONAL NAME		ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
	11c. MAILING ADDRESS 2177 Youngman Avenue		CITY St. Paul	STATE MN	POSTAL CODE 55116	COUNTRY USA
12. ADDITIONAL SPACE FOR ITEM 4 (Collateral)						
13. <input checked="" type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS (if applicable)						
14. This FINANCING STATEMENT: <input type="checkbox"/> covers timber to be cut <input type="checkbox"/> covers as-extracted collateral <input checked="" type="checkbox"/> is filed as a fixture filing						
15. Name and address of a RECORD OWNER of real estate described in Item 16 (if Debtor does not have a record interest):			16. Description of real estate: FOUR PINES APARTMENTS 175 PUMP DRIVE BURLINGTON, WA 98233 County: SKAGIT			
17. MISCELLANEOUS: File with the County Clerk of SKAGIT County, WASHINGTON						

**SCHEDULE A
TO UCC FINANCING STATEMENT
(Borrower)**

DEBTOR: **CEP III - FOUR PINES 22, LLC, A
WASHINGTON LIMITED LIABILITY COMPANY**

C/O COAST EQUITY PARTNERS III, LLC
2829 RUCKER AVENUE
EVERETT, WASHINGTON 98201

SECURED PARTY: **JLL REAL ESTATE CAPITAL, LLC, A
DELAWARE LIMITED LIABILITY COMPANY**

2177 YOUNGMAN AVENUE
ST. PAUL, MINNESOTA 55116

This financing statement covers the following types (or items) of property (the “Collateral Property”):

1. Improvements.

The buildings, structures, improvements, and alterations now constructed or at any time in the future constructed or placed upon the land described in Exhibit A attached hereto (the “Property”), including any future replacements, facilities, and additions and other construction on the Property (the “Improvements”);

2. Goods.

All goods which are used now or in the future in connection with the ownership, management, or operation of the Property or the Improvements or are located on the Property or in the Improvements, including inventory; furniture; furnishings; machinery, equipment, engines, boilers, incinerators, and installed building materials; systems and equipment for the purpose of supplying or distributing heating, cooling, electricity, gas, water, air, or light; antennas, cable, wiring, and conduits used in connection with radio, television, security, fire prevention, or fire detection, or otherwise used to carry electronic signals; telephone systems and equipment; elevators and related machinery and equipment; fire detection, prevention and extinguishing systems and apparatus; security and access control systems and apparatus; plumbing systems; water heaters, ranges, stoves, microwave ovens, refrigerators, dishwashers, garbage disposers, washers, dryers, and other appliances; light fixtures, awnings, storm windows, and storm doors; pictures, screens, blinds, shades, curtains, and curtain rods; mirrors, cabinets, paneling, rugs, and floor and wall coverings; fences, trees, and plants; swimming pools; exercise equipment; supplies; tools; books and records (whether in written or electronic form); websites, URLs, blogs, and social network pages; computer equipment (hardware and software); and other tangible personal property

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**Schedule A to UCC Financing Statement
(Borrower)
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which is used now or in the future in connection with the ownership, management, or operation of the Property or the Improvements or are located on the Property or in the Improvements (the **"Goods"**);

3. Fixtures.

All Goods that are so attached or affixed to the Property or the Improvements as to constitute a fixture (the **"Fixtures"**) under the laws of the jurisdiction in which the Property is located (the **"Property Jurisdiction"**);

4. Personality.

All Goods, accounts, choses of action, chattel paper, documents, general intangibles (including software), payment intangibles, instruments, investment property, letter of credit rights, supporting obligations, computer information, source codes, object codes, records and data, all telephone numbers or listings, claims (including claims for indemnity or breach of warranty), deposit accounts and other property or assets of any kind or nature related to the Collateral Property now or in the future, including operating agreements, surveys, plans and specifications and contracts for architectural, engineering and construction services relating to the Collateral Property, and all other intangible property and rights relating to the operation of, or used in connection with, the Collateral Property, including all governmental permits relating to any activities on the Property or the Improvements (the **"Personalty"**);

5. Other Rights.

All current and future rights, including air rights, development rights, zoning rights and other similar rights or interests, easements, tenements, rights-of-way, strips and gores of land, streets, alleys, roads, sewer rights, waters, watercourses, and appurtenances related to or benefiting the Property or the Improvements, or both, and all rights-of-way, streets, alleys and roads which may have been or may in the future be vacated;

6. Insurance Proceeds.

All insurance policies relating to the Collateral Property (and any unearned premiums) and all proceeds paid or to be paid by any insurer of any part of the Collateral Property, whether or not Debtor obtained the insurance pursuant to Secured Party's requirements;

7. Awards.

All awards, payments, and other compensation made or to be made by any municipal, state or federal authority with respect to any part of the Collateral Property, including any awards or settlements resulting from (a) any action or proceeding, however characterized or named, relating to any condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Collateral Property, whether direct or indirect (a **"Condemnation Action"**), (b) any damage to the Collateral Property caused by governmental action that does not result in a Condemnation Action,

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Schedule A to UCC Financing Statement
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or (c) the total or partial taking of any part of the Collateral Property under the power of eminent domain or otherwise and including any conveyance in lieu thereof;

8. Contracts.

All contracts, options, and other agreements for the sale of any part of the Collateral Property entered into by Debtor now or in the future, including cash or securities deposited to secure performance by parties of their obligations;

9. Rents.

All rents (whether from residential or non-residential space), revenues and other income of the Property or the Improvements, including subsidy payments received from any sources, including payments under any "Housing Assistance Payments Contract" or other rental subsidy agreement (if any), parking fees, laundry and vending machine income, and fees and charges for food, health care and other services provided at the Collateral Property, whether now due, past due, or to become due, and all tenant security deposits (the "Rents");

10. Leases.

All present and future leases, subleases, licenses, concessions or grants or other possessory interests now or hereafter in force, whether oral or written, covering or affecting the Collateral Property, or any portion of the Collateral Property (including proprietary leases or occupancy agreements if Debtor is a cooperative housing corporation), and all modifications, extensions, or renewals thereof (the "Leases") and all Lease guaranties, letters of credit and any other supporting obligation for any of the Leases given in connection with any of the Leases;

11. Other.

All earnings, royalties, accounts receivable, issues, and profits from any part of Collateral Property, and all undisbursed proceeds of the loan secured by the Mortgage, Deed of Trust, or Deed to Secure Debt upon the Property and Improvements (the "Security Instrument") and, if Debtor is a cooperative housing corporation, maintenance charges or assessments payable by shareholders or residents;

12. Imposition Deposits.

Deposits held by the Secured Party to pay when due (a) any water and sewer charges which, if not paid, may result in a lien on all or any part of the Collateral Property, (b) the premiums for fire and other casualty insurance, liability insurance, rent loss insurance, and such other insurance as Secured Party may require, (c) taxes, assessments, vault rentals, and other charges, if any, general, special, or otherwise, including assessments for schools, public betterments and general or local improvements, which are levied, assessed or imposed by any public authority or quasi-public authority, and which, if not paid, will become a lien on the Collateral Property or any taxes upon any of the documents evidencing or securing the loan secured by the Security Instrument, and (d) amounts for other charges and expenses which Secured Party at any time reasonably deems

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necessary to protect the Collateral Property, to prevent the imposition of liens on the Collateral Property, or otherwise to protect Secured Party's interests, all as reasonably determined from time to time by Secured Party (the "Impositions");

13. Refunds or Rebates.

All refunds or rebates of Impositions by any municipal, state or federal authority or insurance company (other than refunds applicable to periods before the real property tax year in which the Security Instrument is dated);

14. Names.

All names under or by which any of the Collateral Property may be operated or known, and all trademarks, trade names, and goodwill relating to any of the Collateral Property;

15. Collateral Accounts and Collateral Account Funds.

Any and all funds on deposit in any account designated as a "Collateral Account" by Secured Party pursuant to any separate agreement between Debtor and Secured Party which provides for the establishment of any fund, reserve or account;

16. Other Proceeds.

Any and all products, and all cash and non-cash proceeds from the conversion, voluntary or involuntary, of any of the above into cash or liquidated claims, and the right to collect such proceeds;

17. Mineral Rights.

All of Debtor's right, title and interest in the oil, gas, minerals, mineral interests, royalties, overriding royalties, production payments, net profit interests and other interests and estates in, under and on the Mortgaged Property and other oil, gas, minerals, and mineral interests with which any of the foregoing interests or estates are pooled or unitized; and

18. Accounts.

All money, funds, investment property, accounts, general intangibles, deposit accounts, chattel paper, documents, instruments, judgments, claims, settlements of claims, causes of action, refunds, rebates, reimbursements, reserves, deposits, subsidies, proceeds, products, Rents and profits, now or hereafter arising, received or receivable, from or on account of the ownership, management and operation of the Property and the Improvements.

All terms used and not specifically defined herein, but which are otherwise defined by the Uniform Commercial Code in force in the Property Jurisdiction (the "UCC"), shall have the meanings assigned to them by the UCC.

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Schedule A to UCC Financing Statement
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EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): P117983 / 8031-000-004-0000

Parcel A:

Lot 4 of City of Burlington revised Binding Site Plan No. BURL-BSP-2-00, approved October 3, 2001 and recorded October 3, 2001, under Skagit County Auditor's File No. 200110030143; being a portion of the Northwest quarter of the Southwest quarter of Section 5, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.

Parcel B:

Non-exclusive easements for ingress, egress, roadway and utilities as described in and created by Easement Agreement, dated June 18, 1982, recorded on July 13, 1982, under Auditor's File No. 8207130033, as amended by Easement Agreement, dated July 12, 1996, recorded July 18, 1996, under Auditor's File No. 9607180070, records of Skagit County, Washington, upon and subject to the provisions therein contained, EXCEPT that portion thereof lying within Parcel A

Situate in the County of Skagit, State of Washington.

Parcel C:

Non-exclusive easements for access, parking and utilities as described in and created by Reciprocal Agreements, dated March 5, 2001, recorded on March 15, 2001, under Auditor's File No. 200103150016, as amended by Amended and Restated Reciprocal Agreement, dated July 15, 2020, recorded September 14, 2020, under Auditor's File No. 202009140174, records of Skagit County, Washington, upon and subject to the provisions therein contained, EXCEPT that portion thereof lying within Parcel A.

Situate in the County of Skagit, State of Washington.