

THIS SECURITY INSTRUMENT WAS
PREPARED BY (UNDER SUPERVISION OF AN
ATTORNEY LICENSED IN THE STATE OF
WASHINGTON), AND UPON
RECORDING SHOULD BE RETURNED TO:
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DEED OF TRUST, SECURITY AGREEMENT, AND FIXTURE FILING

GRANTOR: CHR SEDRO WOOLLEY SPE LLC, a Delaware limited liability company, and CHR SEDRO WOOLLEY TRS LLC, a Delaware limited liability company

TRUSTEE: CHICAGO TITLE

GRANTEE (Beneficiary): GREYSTONE SERVICING COMPANY LLC, a Delaware limited liability company

DATED: July 17, 2025

ABBREVIATED LEGAL DESCRIPTION: Lots 1-15, inclusive, and Lots 17-30, inclusive, Block 115, "PLAT OF THE TOWN OF SEDRO" as per plat recorded in Volume 1 of Plats, Page 18, records of Skagit County, Washington and being more particularly described on Exhibit A.

Complete legal description is on Exhibit A of the document

ASSESSOR'S TAX PARCEL ACCOUNT NUMBER(S): APN: P76284 / 4152-115-010-0002, P76285 / 4152-115-015-0007, P76288 / 4152-115-030-0008 and P120658 / 8289

NOTICE TO RECORDER: FOR PURPOSES OF ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE (RCW 62A.9) (“UCC”), THIS DEED OF TRUST CONSTITUTES A SECURITY AGREEMENT AND FIXTURE FILING (RCW 62A.9A-502), WITH GRANTOR BEING THE “DEBTOR” AND GRANTEE/LENDER BEING THE “SECURED PARTY”. THIS DEED OF TRUST COVERS GOODS THAT ARE OR ARE TO BECOME FIXTURES, IS EFFECTIVE AS A FINANCING STATEMENT FILED AS A FIXTURE FILING AND IS TO BE FILED IN THE REAL ESTATE RECORDS.

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

THE LOAN IS NOT USED PRIMARILY FOR AGRICULTURAL PURPOSES.

NOTE: OPERATOR IS EXECUTING THIS DEED OF TRUST WITH RESPECT TO ITS LEASEHOLD ESTATE IN THE LAND AND ITS OWNERSHIP INTEREST IN THE PERSONAL PROPERTY AND FIXTURES DEFINED HEREIN.

DEED OF TRUST, SECURITY AGREEMENT, AND FIXTURE FILING

This DEED OF TRUST, SECURITY AGREEMENT, AND FIXTURE FILING (this "*Deed of Trust*") is executed and granted as of July 17, 2025 by and from **CHR SEDRO WOOLLEY SPE LLC**, a Delaware limited liability company, with an address of 2603 Main Street, Suite 1050, Irvine, California 92614 (together with its successors and assigns, "*Owner*"), and **CHR SEDRO WOOLLEY TRS LLC**, a Delaware limited liability company, with an address of 2603 Main Street, Suite 1050, Irvine, California 92614 ("*Operator*"), and, collectively with Owner, "*Borrower*"), jointly and severally, as trustor, to **CHICAGO TITLE**, with an address of 4717 S. 19th Street, Suite 101, Tacoma, WA 98405 ("*Trustee*"), as trustee, for the benefit of **GREYSTONE SERVICING COMPANY LLC**, a Delaware limited liability company, with an address of 419 Belle Air Lane, Warrenton, VA 20186 (together with its successors and assigns, "*Lender*" or "*Beneficiary*").

RECITALS:

Borrower has borrowed the sum of \$16,200,000.00 from Lender (the "*Loan*"), and the Loan is evidenced by the Note (as defined below) and the Loan Documents (as defined below). As a condition precedent to making the Loan, Lender has required that Borrower execute this Deed of Trust as security for the Loan and the Loan Obligations (as defined below).

AGREEMENT:

NOW, THEREFORE, Borrower does hereby irrevocably grant, bargain, sell, convey, assign, transfer, mortgage, pledge and set over unto Trustee, for the benefit and security of Lender, its successors and assigns, in trust, with power of sale and right of entry and possession, the Mortgaged Property (as defined below) and grants to Trustee, for the benefit and security of Lender, all of Borrower's right, title and interest in and to the Mortgaged Property, subject only to the Permitted Encumbrances;

TO HAVE AND TO HOLD, the Mortgaged Property, together with all the hereditaments and appurtenances thereunto belonging or in anywise appertaining unto the said Lender and its successors and assigns, in fee simple forever; and the said Borrower does hereby covenant and warrant with Lender its successors and assigns, that Borrower, either collectively or individually, is lawfully seized in fee of the Mortgaged Property; that Borrower, either collectively or individually, has a good right to sell and convey the same; that the same is unencumbered; and that the title and quiet possession thereto Borrower will and Borrower's successors shall warrant and forever defend against the lawful claims of all persons;

TO SECURE to Lender the repayment of the Loan Obligations (as defined below) in the manner stipulated herein, in the Note and in the other Loan Documents, and the performance by Borrower of the Loan Obligations, subject however to the terms and conditions herein;

PROVIDED, HOWEVER, that if the Borrower shall pay to the Lender the entire Indebtedness at the times and in the manner stipulated herein, in the Note and in the other Loan Documents, all without any deduction or credit for taxes or other similar charges paid by the Borrower, and shall cause all other obligated parties to keep, perform, and observe all of the Loan Obligations without fraud or delay, then this Deed of Trust and all the properties, interests, and rights hereby granted, bargained, and sold shall cease, terminate, and be void, but shall otherwise remain in full force and effect;

AND, the Borrower covenants and agrees as follows:

1. **CERTAIN DEFINITIONS.** The following terms, when used in this Deed of Trust (including when used in the above recitals), shall have the following meanings:

(a) “**Accounts**” means all accounts (as defined in the UCC) arising from or in connection with the Project or the operation thereof, including, without limitation, all (i) rights to payment from Medicaid and Medicare programs, and similar state or federal programs, boards, bureaus or agencies, (ii) rights to payment from patients, residents, private insurers and others arising from the operation of the Project and (iii) rights to payment pursuant to Reimbursement Contracts. Accounts shall include the proceeds (whether cash or noncash, moveable or immoveable, tangible or intangible) received from the sale, exchange, transfer, collection or other disposition or substitution thereof.

(b) “**Appurtenant Rights**” means all air rights, development rights, zoning rights, easements, rights-of-way, strips and gores of land, vaults, streets, roads, alleys, tenements, passages, sewer rights, waters, water courses, water rights and powers, minerals, flowers, shrubs, crops, trees, timber and other emblements now or hereafter appurtenant to, or located on, under or above the Land, or any part or parcel thereof, and all ground leases, estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances, reversions, and remainders whatsoever, in any way belonging, relating or appertaining to the Land, or any part thereof.

(c) “**Beneficiary**” shall have the meaning set forth in the initial paragraph hereof.

(d) “**Borrower**” shall have the meaning set forth in the initial paragraph hereof.

(e) “**Chattel Paper**” means chattel paper (as defined in the UCC) arising from or in connection with the Project or the operation thereof.

(f) “**Commercial Tort Claims**” means commercial tort claims (as defined in the UCC) arising from or in connection with the Project or the operation thereof.

(g) “**Condemnation**” has the meaning set forth in Section 7.

(h) “**Deed of Trust**” shall have the meaning set forth in the initial paragraph hereof.

(i) “**Deposit Accounts**” means deposit accounts (as defined in the UCC) arising from or in connection with the Project or the operation thereof, and any other deposit accounts owned by Borrower.

(j) “**Documents**” means documents (as defined in the UCC) arising from, in connection with or related to the Project or the operation thereof.

(k) “**Equipment**” means equipment (as defined in the UCC) located at, used in or useful in connection with the Project or the operation thereof and shall include, without limitation, all beds, linen, televisions, carpeting, telephones, cash registers, computers, lamps, glassware, rehabilitation equipment, restaurant and kitchen equipment, and other trade fixtures and equipment located on, attached to or used in connection with the Land or the Project;

(l) “**Event of Default**” shall have the meaning ascribed to it in Section 6.1 of the Loan Agreement, and shall include the failure of Borrower to comply with the terms and covenants in this Deed of Trust beyond any applicable cure period set forth herein.

(m) “**Fixtures**” means fixtures (as defined in the UCC) located at, used in or useful in connection with the Project or the operation thereof and includes, without limitation, the following: machinery, equipment, engines, boilers, incinerators, 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; and exercise equipment.

(n) **“General Intangibles”** means general intangibles (as defined in the UCC) arising from, in connection with or related to the Project or the operation thereof, and includes, without limitation, all names under or by which the Project may be operated or known, and all trademarks, trade names, and goodwill relating to the Project.

(o) **“Goods”** means goods (as defined in the UCC) that are located at, used in or useful in connection with the Project or the operation thereof (excluding goods belonging to the residents, guests or patients of the Project).

(p) **“Governmental Authority”** means any board, commission, department or body of any municipal, county, state or federal governmental unit, or any subdivision of any of them, that has or acquires jurisdiction over the use, operation or improvement of any part of the Land, the Improvements or the Project.

(q) **“Impositions”** means to the extent applicable, (i) any water and sewer charges which may be levied on all or any part of the Mortgaged Property, (ii) the premiums for fire and other hazard insurance, rent loss insurance, general and professional liability insurance, and such other insurance as Lender may require under any of the Loan Documents, (iii) the yearly Taxes (including real estate taxes and assessments), and (iv) amounts for other charges and expenses which Lender at any time reasonably deems necessary to protect the Mortgaged Property, to prevent the imposition of liens on the Mortgaged Property, or otherwise to protect Lender’s interests, all as reasonably estimated from time to time by Lender.

(r) **“Improvements”** means all buildings, Fixtures, structures and improvements of every nature whatsoever now or hereafter situated on the Land, including any future replacement and additions thereto and including the Project.

(s) **“Indebtedness”** means the principal of, interest on, and all other amounts due at any time under, the Note, this Deed of Trust, the Loan Agreement, or any other Loan Document, including any Exit Fee, Late Charges, default interest, and advances to protect the security of this Deed of Trust.

(t) **“Instruments”** means instruments, as such term is defined in the UCC, arising from, in connection with, or related to the Project or the operation thereof.

(u) **“Inventory”** means inventory (as defined in the UCC), located at, used in, or useful in connection with the Project or the operation thereof, including, without limitation, inventories of food, beverages and other consumables held by Borrower or its agents for sale or use at or from the Land or the Project, and soap, paper supplies, medical supplies, drugs and all other such goods, wares and merchandise held by Borrower or their agents for sale to or for consumption by residents,

guests or patients of the Land or the Project and all such other goods returned to or repossessed by Borrower.

(v) “**Investment Property**” means investment property (as defined in the UCC) arising from, in connection with or related to the Project or the operation thereof.

(w) “**Land**” means the land described in Exhibit A attached hereto and incorporated herein.

(x) “**Leases**” means 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 Land, the Project and/or Improvements, or any portions of the Land, the Project and/or Improvements and all modifications, extensions or renewals thereof, including, without limitation, the Lease Agreement (as defined in the Loan Agreement).

(y) “**Lender**” shall have the meaning set forth in the initial paragraph hereof and is hereby deemed to be Beneficiary for all purposes, covenants and conditions due by Borrower to Lender, as Beneficiary hereunder.

(z) “**Letter-of-Credit Rights**” means letter-of-credit rights (as defined in the UCC) arising from, in connection with or relating to the Project or the operation thereof.

(aa) “**Loan**” shall have the meaning ascribed to it in the Recitals above.

(bb) “**Loan Agreement**” means that certain Loan Agreement by and between Borrower and Lender of even date herewith.

(cc) “**Loan Documents**” means the Note, this Deed of Trust, the Loan Agreement, the Assignment of Leases and Rents, any escrow agreements, perfection certificate, guaranty or indemnity, and all the other documents, certificates, instruments and agreements executed by Borrower, Guarantors or their Affiliates in connection with the Loan or to otherwise evidence or secure the Loan, and all renewals, supplements, or amendments thereto.

(dd) “**Loan Obligations**” shall have the meaning ascribed to it in the Loan Agreement.

(ee) “**Money**” means all monies, cash, rights to deposit or savings accounts or other items of legal tender obtained from or for use in connection with the Project or the operation thereof.

(ff) “**Mortgaged Property**” means all of the following property whether now owned or hereafter any time acquired:

(i) the Land and all Appurtenant Rights and Improvements;

(ii) all Accounts, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Equipment, Fixtures, General Intangibles, Goods, Instruments, Inventory, Investment Property, Leases, Letter-of-Credit Rights, Money, Permits, Personalty, Reimbursement Contracts, Rents and Supporting Obligations;

(iii) all contracts, options and other agreements for the sale of all or part of any of the property set forth in clauses (i) and (ii) above entered into by Borrower now or in

the future, including cash or securities deposited to secure performance by parties of their obligations;

(iv) all amounts deposited with Lender to fund Impositions and 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 this Deed of Trust is dated);

(v) all awards, payments, earnings, royalties, issues, profits, liquidated claims, and proceeds (including proceeds of insurance and condemnation or any conveyance in lieu thereof), cash and noncash, from the sale, conversion (whether voluntary or involuntary), exchange, transfer, collection, loss, damage, disposition, substitution or replacement of any of the foregoing; and

(vi) any other property or assets, tangible or intangible, pledged or assigned to Lender under any Loan Documents;

provided, however that with respect to any items that are leased and not owned by Borrower, the term "Mortgaged Property" includes the leasehold interest only of Borrower together with any options to purchase any of said items and any additional or greater rights with respect to such items that Borrower may hereafter acquire.

(gg) "**Note**" means that certain Promissory Note made by Borrower to Lender as of even date herewith.

(hh) "**Operator**" shall have the meaning set forth in the initial paragraph hereof.

(ii) "**Owner**" shall have the meaning set forth in the initial paragraph hereof.

(jj) "**Permits**" means (i) the operating licenses for the Project, any certificate of need, and any other license, permit, approval or certificate that from time to time may be issued or is required to be issued by any Governmental Authority with respect to the construction, installation or operation of the Project or any portion or component of any of the Project, the providing of any services by Borrower, the purchase, sale, dispensing, storage, prescription or use of Goods, drugs, medications or the like by Borrower, or any other operations or businesses of Borrower; (ii) certifications and eligibility for participation by Borrower, in respect to the operation of the Project and any related businesses or operations, in programs or arrangements of or reimbursement from any Person obligated on any account of Borrower, including all Third Party Payors' Programs; and (iii) all other licenses, permits and certificates used or useful in connection with the ownership, operation, use or occupancy of the Project.

(kk) "**Personalty**" means all furniture, furnishings, Equipment, machinery, building materials, appliances, goods, supplies, tools, books, records (whether in written or electronic form), computer equipment (hardware and software) and other tangible personal property (other than Fixtures) that are used now or in the future in connection with the ownership, management or operation of the Land or the Improvements or are located on the Land or in the Improvements, and any operating agreements relating to the Land or the Improvements, and any surveys, plans and specifications and contracts for architectural, engineering and construction services relating to the Land or the Improvements.

(ll) **“Project”** means the memory care facility known as “Birchview Memory Care,” located on the Land, together with any other general or specialized care facilities, if any, now or hereafter operated on the Land.

(mm) **“Reimbursement Contracts”** means all third party reimbursement or payment contracts for the Project which are now or hereafter in effect with respect to patients or residents qualifying for coverage under the same, including Medicaid and Medicare, and any successor program or other similar reimbursement program and all Third Party Payors’ Programs.

(nn) **“Rents”** means all rent and other payments of whatever nature from time to time payable pursuant to the Leases (including, without limitation, rights to payments earned under leases for space in the Project for the operation of ongoing retail businesses such as newsstands, barbershops, beauty shops, physicians’ offices, pharmacies and specialty shops).

(oo) **“Supporting Obligation”** means a supporting obligation (as defined in the UCC) arising from, in connection with, or related to the Project or the operation thereof.

(pp) **“Tax”** or **“Taxes”** means all taxes, assessments, vault rentals and other charges, if any, general, special or otherwise, including all 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, may become a lien, on the Land or the Improvements.

(qq) **“Trustee”** shall have the meaning set forth in the initial paragraph hereof.

(rr) **“UCC”** means the Uniform Commercial Code as adopted in the State of Washington.

(ss) **“UCC Property”** shall have the meaning set forth in Section 2.

Capitalized terms not defined herein shall have the meanings ascribed to them in the Loan Agreement.

2. UCC SECURITY AGREEMENT.

(a) This Deed of Trust is also a security agreement under the UCC for any of the Mortgaged Property which, under applicable law, may be subject to a security interest under the UCC (the **“UCC Property”**), and Borrower hereby grants to Lender a security interest in the Mortgaged Property to secure the Loan Obligations. Lender is hereby authorized to file with the appropriate filing authority any financing statements, continuation statements and amendments, in such form as Lender may require to perfect or continue the perfection of this security interest. Borrower shall pay all filing costs and all costs and expenses of any record searches for financing statements that Lender may require in its normal and customary operations. Without the prior written consent of Lender, Borrower shall not create or permit to exist any other lien or security interest in any of the Mortgaged Property. If an Event of Default has occurred and is continuing, Lender shall have the remedies of a secured party under the UCC, in addition to all remedies provided by this Deed of Trust, the Loan Agreement or the other Loan Documents, or existing under applicable law, including but not limited to: the right to require Borrower to assemble such UCC Property and make it available to Lender at a place to be designated by Lender which is reasonably convenient to both parties; the right to take possession of the Personalty with or without demand and with or without process of law; and the right to sell and dispose of the same and distribute the proceeds according to law. The parties hereto agree that any requirement of

reasonable notice shall be met if Lender sends such notice to Borrower at least ten (10) business days prior to the date of sale, disposition or other event giving rise to the required notice, and that the proceeds of any disposition of any UCC Property may be applied by Lender first to the reasonable expenses in connection therewith, including reasonable attorneys' fees and legal expenses incurred, then to any fees and interest (including any items owed at the Default Rate), and then to payment of the Indebtedness. In exercising any remedies, Lender may exercise its remedies against the Mortgaged Property separately or together and in any order, without in any way affecting the availability of Lender's other remedies under applicable law.

(b) With respect to the UCC Property that has become so attached to the Land that an interest therein arises under the laws of the State of Washington, this Deed of Trust shall also constitute a financing statement and a fixture filing under the UCC and is to be filed for record in the real estate records in the county where the Project (including said fixtures) is situated. The mailing address of Borrower and the address of Lender from which information concerning the security interest may be obtained are set forth above. A carbon, photogenic or other reproduction of this Deed of Trust or any other financing statement relating to this Deed of Trust shall be sufficient as a financing statement for any of the purposes referred to in this Deed of Trust.

(c) Owner is the record owner of the Land, and the addresses of Borrower and Lender are as set forth on the first page of this Deed of Trust. Borrower represents and warrants that it is a "registered organization" organized under the laws of its state of organization. Borrower covenants that it will not alter such registration without the prior written consent of Lender. Borrower further represents and warrants that its name is exactly as set forth in the first page of this Deed of Trust. Borrower also covenants that its name shall not be altered without the prior written consent of Lender. Borrower hereby acknowledges and agrees that this Deed of Trust is an authenticated record, and authorizes the filing of financing statements by Lender without the execution thereof by Borrower.

3. **MATURITY DATE AND PREPAYMENT OF NOTE.** The maturity date of the Note is the date set forth and defined as the "Maturity Date" therein. The Note may not be prepaid except as provided therein and in the Loan Agreement.

4. **PROTECTION OF LENDER'S SECURITY.**

(a) If Borrower fails to perform any of its obligations under this Deed of Trust or any other Loan Document, or if any action or proceeding is commenced which purports to materially and adversely affect the Mortgaged Property, as determined by Lender in its sole discretion, Lender's security or Lender's rights under this Deed of Trust, including insolvency, code enforcement, civil or criminal forfeiture or fraudulent conveyance, then Lender at Lender's option may make such appearances, disburse such sums and take such actions as Lender deems necessary to perform such obligations of Borrower and to protect Lender's interest, including, without limitation, (i) disbursement of fees and out of pocket expenses of attorneys, accountants, inspectors and consultants, (ii) entry upon the Mortgaged Property to make repairs or secure the Mortgaged Property, (iii) procurement of the insurance coverages required under the Loan Documents, and (iv) payment of amounts which Borrower has failed to pay under the Loan Documents.

(b) Any amounts disbursed by Lender under this Section, or under any other provision of this Deed of Trust that treats such disbursement as being made under this Section, shall be added to, and become part of the Indebtedness, shall be due and payable within ten (10) business days after demand thereof and shall bear interest from disbursement until paid at the Default Rate.

(c) Nothing in this Section shall require Lender to incur any expense or take any action.

5. **NO OTHER LIENS OR ENCUMBRANCES.** Borrower acknowledges that the existence of any mortgage, deed of trust, deed to secure debt, security interest or other lien or encumbrance on the Mortgaged Property, or any part thereof, whether voluntary, involuntary or by operation of law, other than liens and encumbrances of Lender on the Mortgaged Property, are prohibited, unless otherwise permitted hereunder or by Lender in its sole and absolute discretion.

6. **PRESERVATION, MANAGEMENT AND MAINTENANCE OF MORTGAGED PROPERTY.** Borrower (a) shall not commit waste or permit impairment or deterioration of the Mortgaged Property; (b) shall not abandon the Project or any part thereof; (c) shall restore or repair promptly, in a good and workmanlike manner, any damaged part of the Mortgaged Property to the equivalent of its original condition, or such other condition as Lender may approve in writing, whether or not insurance proceeds or condemnation awards are available to cover any costs of such restoration or repair but subject to Borrower's right to receive insurance and condemnation proceeds, if any, as provided herein and in the Loan Documents; (d) shall keep the Mortgaged Property in good repair and condition as set forth in the Loan Documents; (e) shall replace Personalty and Fixtures with items of equal or better function and quality as set forth in the Loan Documents; and (f) shall give notice to Lender of and, unless otherwise directed in writing by Lender, shall appear in and defend any action or proceeding purporting to affect the Mortgaged Property, Lender's security or Lender's rights under this Deed of Trust. Borrower shall not (and shall not permit any other Person to) remove, demolish or alter the Mortgaged Property or any part of the Mortgaged Property except in connection with the replacement of tangible Personalty or Fixtures in like or better quality.

7. **CONDEMNATION.**

(a) Borrower shall promptly notify Lender of any pending or threatened action or proceeding relating to any condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Mortgaged Property, whether direct or indirect (a "**Condemnation**"). Borrower shall appear in and prosecute or defend any proceeding relating to any Condemnation unless otherwise directed by Lender in writing. Upon the occurrence of an Event of Default and provided such Event of Default is continuing, Borrower authorizes and appoints Lender as attorney-in-fact for Borrower to commence, appear in and prosecute, in Lender's or Borrower's name, any action or proceeding relating to any Condemnation and to settle or compromise any claim in connection with any Condemnation. This power of attorney is coupled with an interest and therefore is irrevocable. However, nothing contained in this Section 7 shall require Lender to incur any expense or take any action. Except as provided in the Loan Documents, Borrower hereby transfers and assigns to Lender all right, title and interest of Borrower in and to any award or payment with respect to (i) any Condemnation, or any conveyance in lieu of Condemnation, and (ii) any damage to the Mortgaged Property caused by governmental action that does not result in a Condemnation.

(b) Lender may apply such awards or proceeds, after the deduction of Lender's expenses incurred in the collection of such amounts, at Lender's option, to the restoration or repair of the Mortgaged Property or to the payment of the Indebtedness in the inverse order of maturity, with the balance, if any, to Borrower. Unless Lender otherwise agrees in writing, any application of any awards or proceeds to the Indebtedness shall not extend or postpone the due date of any monthly installments referred to in the Note or any other Loan Document, or change the amount of such installments. Borrower agrees to execute such further evidence of assignment of any awards or proceeds as Lender may require.

8. **REMEDIES.**

(a) **Acceleration of Maturity.** If an Event of Default shall have occurred, then the entire Indebtedness shall, at the option of Lender, immediately become due and payable without notice or demand, time being of the essence of this Deed of Trust, and no omission on the part of Lender to exercise such option when entitled to do so shall be construed as a waiver of such right.

(b) **Right to Enter and Take Possession.**

(i) If an Event of Default shall have occurred and be continuing, Borrower, upon demand of Lender, shall forthwith surrender to Lender the actual possession of the Mortgaged Property and, if and to the extent permitted by law, Lender itself, or by such officers or agents as it may appoint, may enter and take possession of all or any part of the Mortgaged Property without the appointment of a receiver or an application therefor, and may exclude Borrower and its agents and employees wholly therefrom, and take possession of the books, papers and accounts of Borrower relating thereto.

(ii) If Borrower shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after such demand by Lender, Lender may obtain a judgment or decree conferring upon Lender the right to immediate possession or requiring Borrower to deliver immediate possession of the Mortgaged Property to Lender. Borrower shall pay to Lender, upon demand, all expenses of obtaining such judgment or decree, including reasonable costs and expense incurred by Lender, its attorneys and agents, and all such expenses and costs shall, until paid, become part of the Indebtedness and shall be secured by this Deed of Trust and shall bear interest at the Default Rate;

(iii) Upon every such entering or taking of possession, Lender may from time to time do the following as Lender determines to be in its best interest:

(1) Hold, store, use, operate, manage and control the Mortgaged Property and conduct the business thereof;

(2) Make any necessary or discretionary maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional Fixtures, Personalty and Equipment;

(3) Insure or keep the Mortgaged Property insured;

(4) Manage and operate the Mortgaged Property and exercise all of the rights and powers of Borrower to the same extent as Borrower could in its own name;

(5) Enter into any and all agreements with respect to the exercise by others of any of the powers herein granted to Lender, all as Lender from time to time may determine to be in its best interest; and

(6) Collect and receive all the Rents and Accounts, including those past due as well as those accruing thereafter, and, after deducting (A) all reasonable expenses of taking, holding, managing and operating the Mortgaged Property (including compensation for the services of all persons employed for such

purposes); (B) the reasonable cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions; (C) the cost of such insurance deemed necessary by Borrower; (D) such taxes, assessments and other similar charges as Lender may at its option pay; (E) other proper and reasonable charges upon the Mortgaged Property or any part thereof; and (F) the reasonable fees, expenses and disbursements of the attorneys and agents of Lender, Lender shall apply the remainder of the monies and proceeds so received by Lender, first, to the payment of accrued interest, including interest at the Default Rate; second, to the payment of Impositions and to other sums required to be paid hereunder; and third, to the payment of overdue installments of principal and any other unpaid Indebtedness then due.

(iv) Anything in this Section to the contrary notwithstanding, except for the gross negligence or willful misconduct of Lender in entering and taking possession of the Mortgaged Property pursuant to its rights under this Section, Lender shall not incur any liability as a result of any exercise by Lender of its rights under this Deed of Trust, and Lender shall be liable to account only for the Rents actually received by Lender.

(v) Borrower agrees to promptly notify all of its account debtors, including the Medicaid and Medicare agencies and other account debtors pursuant to all Reimbursement Contracts, to the extent permitted under applicable law, to make payments to one or more such deposit accounts upon Lender's request and as designated by Lender, and Borrower agrees to provide any necessary endorsements to checks, drafts and other forms of payment so that such payments will be properly deposited in such accounts. Lender may require that the deposit accounts be established so as to comply with any applicable Medicaid, Medicare and other requirements applicable to payments of any accounts receivable. Lender may cause moneys to be withdrawn from such deposit accounts and applied to the Indebtedness in such order as Lender may elect. Borrower appoints Lender as Borrower's attorney-in-fact, which appointment is coupled with an interest and is irrevocable, to provide, after the occurrence of an Event of Default, any notice, endorse any check, draft or other payment for deposit, or take any other action which Borrower agrees to undertake in accordance with this Section and/or the Loan Documents.

(vi) Whenever all the outstanding Indebtedness shall have been paid and all Events of Default shall have been cured, Lender shall surrender possession of the Mortgaged Property to Borrower, its successors and/or assigns. The same right of taking possession, however, shall exist if any subsequent Event of Default shall occur and be continuing.

(c) Performance by Lender. Upon the occurrence of an Event of Default, Lender may, at its sole option, pay, perform or observe any Loan Obligations, and all payments made or costs or expenses incurred by Lender in connection therewith, with interest thereon at the Default Rate or at the maximum rate from time to time allowed by applicable law, whichever is less, shall be secured hereby and shall be repaid by Borrower to Lender within ten (10) days after demand of Lender for reimbursement. Notwithstanding anything to the contrary herein, Lender shall have no obligation, explicit or implied, to pay, perform, or observe any of the Loan Obligations.

(d) Receiver. If any Event of Default shall have occurred and be continuing, Lender, upon application to a court of competent jurisdiction, shall be entitled as a matter of strict right, without notice and without regard to the sufficiency or value of any security for the Indebtedness

or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Project and to collect and apply the Rents and Accounts. The receiver shall have all the rights and powers permitted under the laws of the state where the Land is located. Borrower shall pay unto Lender upon demand all expenses, including receiver's fees, reasonable attorneys' fees, costs and agent's compensation, incurred pursuant to the provisions of this Section, and upon Borrower's failure to pay the same, any such amounts shall be added to the Indebtedness and shall be secured by this Deed of Trust and the other Loan Documents.

(e) Lender's Power of Enforcement. If an Event of Default shall have occurred and be continuing, the Lender may (or may direct Trustee to), either with or without entry or taking possession as hereinabove provided or otherwise, (i) proceed by suit or suits at law, in equity or any other appropriate proceeding or remedy to enforce payment of the Note or the performance of any term thereof or any other right; (ii) direct the Trustee, and Trustee shall be empowered, to foreclose the Mortgaged Property by advertisement and sale under applicable law; (iii) to foreclose this Deed of Trust as a mortgage and to sell, as an entirety or in separate lots or parcels, the Mortgaged Property, as provided by applicable state law, and giving Lender the right to collect any deficiency remaining due after disposition of the Mortgaged Property; and (iv) to pursue any other rights or remedies available to it under law for the collection of debts and the enforcement of covenants and conditions such as those contained in the Loan Documents, all as the Lender shall deem most effectual for its benefit.

(f) Purchase by Lender. Upon any foreclosure sale, Lender may bid for and purchase the Mortgaged Property, either for its own account or through an agent, and shall be entitled to apply all or any part of the Indebtedness as a credit to the purchase price.

(g) Application of Proceeds of Sale. In the event of a foreclosure or other sale of all or any portion of the Mortgaged Property, the proceeds of said sale shall be applied, first, to the expenses of such sale and of all proceedings in connection therewith, including reasonable attorney's fees and expenses (and attorney's fees and expenses shall become absolutely due and payable whenever foreclosure is commenced); then to insurance premiums, liens, assessments, taxes and charges, including utility charges and any other amounts advanced by Lender hereunder, and interest thereon at the Default Rate; then to payment of the Indebtedness in such order of priority as Lender shall determine, in its sole discretion; and finally the remainder, if any, shall be deposited with the clerk of the superior court of Skagit County, Washington in accordance with RCW 61.24.080.

(h) Holding Over. In the event of any such foreclosure sale, (if Borrower shall remain in possession), Borrower shall be deemed a tenant at will holding over and shall forthwith deliver possession to the purchaser or purchasers at such sale or be summarily dispossessed according to provisions of law applicable thereto.

(i) Waiver of Appraisalment, Valuation, Etc. Borrower agrees, to the fullest extent permitted by law, that in case of an Event of Default, neither Borrower, nor any lessee, nor anyone claiming through or under Borrower will assert, claim or seek to take advantage of any appraisalment, valuation, stay, extension, exemption or laws now or hereafter in force, in order to prevent or hinder the enforcement of foreclosure of this Deed of Trust, or the absolute sale of the Mortgaged Property, or the delivery of possession thereof immediately after such sale to the purchaser at such sale. Borrower hereby releases and waives all rights under and by virtue of any homestead exemption.

(j) Discontinuance of Proceedings. In case Lender shall have proceeded to enforce any right, power or remedy under this Deed of Trust by foreclosure, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Lender, then in every such case, Borrower and Lender shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Lender shall continue as if no such proceedings had occurred.

(k) Waiver.

(i) No delay or omission by Lender, Trustee or by any holder of the Note to exercise any right, power or remedy accruing upon any default shall exhaust or impair any such right, power or remedy or shall be construed to be a waiver of any such default, or acquiescence therein, and every right, power and remedy given by this Deed of Trust or in any Loan Document to Lender may be exercised from time to time and as often as may be deemed expedient by Lender. No consent or waiver expressed or implied by Lender to or of any breach or default by Borrower in the performance of the obligations of Borrower hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of the same or any other obligations of Borrower hereunder. Failure on the part of Lender to complain of any act or failure to act or failure to declare an Event of Default, irrespective of how long such failure continues, shall not constitute a waiver by Lender of its rights hereunder or impair any rights, powers or remedies of Lender hereunder or in any Loan Document.

(ii) No act or omission by Lender shall release, discharge, modify, change or otherwise affect the original liability under the Note, this Deed of Trust, other Loan Documents or any other obligation of Borrower or any subsequent purchaser of the Mortgaged Property or any part thereof, or any maker, co-signer, endorser, surety or guarantor, nor preclude Lender from exercising any right, power or privilege herein granted or intended to be granted in any Event of Default then existing or of any subsequent default, nor alter the lien of this Deed of Trust, except as expressly provided in an instrument or instruments executed by Lender. Without limiting the generality of the foregoing, Lender may, in its sole and absolute discretion;

(1) Grant forbearance or an extension of time for the payment of all or any portion of the Indebtedness;

(2) Take other or additional security for the payment of any of the Loan Obligations;

(3) Waive or fail to exercise any right granted herein, in the Note or in the other Loan Documents;

(4) Release any part of the Mortgaged Property from the security interest or lien of this Deed of Trust or otherwise change any of the terms, covenants, conditions or agreements of the Note, this Deed of Trust or the other Loan Documents;

(5) Consent to the filing of any map, plat or replat affecting the Land;

(6) Consent to the granting of any easement or other right affecting the Mortgaged Property;

(7) Make or consent to any agreement subordinating the security title or lien hereof; or

(8) Take or omit to take any action whatsoever with respect to the Note, this Deed of Trust, the other Loan Documents, the Mortgaged Property or any document or instrument evidencing, securing or in any way related to this Deed of Trust,

all without releasing, discharging, modifying, changing or affecting any such liability, or precluding Lender from exercising any such right, power or privilege with respect to the lien of this Deed of Trust.

(iii) In the event of the sale or transfer by operation of law or otherwise of all or any part of the Mortgaged Property, Lender, without notice, is hereby authorized and empowered to deal with any vendee or transferee with respect to the Mortgaged Property or the Indebtedness, or with reference to any of the terms, covenants, conditions or agreements hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any liabilities, obligations or undertakings of Borrower, any guarantors of the Loan or others.

(iv) Borrower waives and relinquishes any and all rights it may have, whether at law or equity, to require Lender and/or Trustee to proceed to enforce or exercise any rights, powers and remedies it may have under the Loan Documents in any particular manner, in any particular order, or in any particular state or other jurisdiction. Borrower expressly waives and relinquishes any and all rights and remedies that Borrower may have or be able to assert by reason of the laws of the state of jurisdiction pertaining to the rights and remedies of sureties.

(v) Borrower makes the arrangements, waivers and relinquishments set forth above knowingly and as a material inducement to Lender in making the Loan, after consulting with and considering the advice of independent legal counsel selected by Borrower.

(l) Suits to Protect the Mortgaged Property. Lender shall have power to institute and maintain such suits and proceedings as it may deem expedient:

(i) to prevent any impairment of the Mortgaged Property by any acts which may be unlawful or constitute an Event of Default;

(ii) to preserve or protect its interest in the Mortgaged Property and in the Rents and Accounts arising therefrom; or

(iii) to restrain the enforcement of or compliance with any legislation or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would materially impair the security hereunder or be prejudicial to the interest of Lender.

(m) Proofs of Claim. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Borrower, its creditors or properties, Lender shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Lender allowed in such proceedings

for the entire amount due and payable by Borrower under this Deed of Trust at the date of the institution of such proceedings and for any additional amount which may become due and payable by Borrower hereunder after such date.

(n) Setoff. Upon the occurrence of an Event of Default, Lender may exercise the rights and remedies of setoff and/or banker's lien against the interest of Borrower in and to every account, deposit account, and other property of Borrower that is in the possession of Lender, any servicer or Investor, or any Person who then owns a participating interest in the Loan (except in all events, patient trust accounts), to the extent of the full amount of the Loan.

(o) Foreclosure of Personalty. Upon the happening of any and every Event of Default, Lender may proceed against the Personalty as well as the real property should Lender elect to cause any of the Mortgaged Property to be disposed of as personal property because the same is personal property under applicable law. Lender may dispose of all or any part thereof in any manner now or hereafter permitted by the UCC or in accordance with any other remedy provided in law or in equity. Any such disposition may be conducted by an employee or agent of Lender. Both Borrower and Lender shall be eligible to purchase any part or all of such property at such disposition. Any such disposition may be either public or private as Lender may so elect, in its sole discretion, subject to the provisions of the UCC. Lender shall have all of the rights and remedies of a secured party under the UCC. Expenses of retaking, holding, preparing for sale, selling or the like shall include Lender's reasonable and actual attorney's fees and legal expenses. Upon the occurrence of any Event of Default, Borrower, upon demand of Lender or Trustee, shall assemble such personal property and make it available to Lender or Trustee at a place which is deemed to be reasonably convenient to both Lender and Borrower. Lender or Trustee shall give Borrower at least twenty (20) days' prior written notice (or a longer period if then required in accordance with the laws of the State of Washington) of the time and place of any public sale or other disposition of such property or of the time at or after which any private sale or any other intended disposition is to be made, and if such notice is sent to Borrower, as the same is provided for the mailing of notices herein, it shall constitute reasonable notice to Borrower.

(p) Other Remedies upon Default. Upon the occurrence of an Event of Default, Lender is authorized, either by itself or by its agent to be appointed by it for that purpose or by a receiver appointed by a court of competent jurisdiction, to:

(i) enter into and upon and take and hold possession of any portion or all of the Mortgaged Property, both real and personal, and exclude Borrower and all other persons therefrom;

(ii) to operate and manage the Mortgaged Property and rent and lease the same;

(iii) to perform such reasonable acts of repair or protection as may be reasonably necessary or proper to conserve the value of the Mortgaged Property;

(iv) collect any Rents and Accounts for the benefit and protection of Lender and from time to time apply or accumulate such Rents and Accounts in such order and manner as Lender or a receiver, in its sole discretion, shall consider advisable, to or upon the following: the expenses of receivership, if any; the proper costs of upkeep, maintenance, repair and/or operation of the Mortgaged Property; the repayment of any sums theretofore or thereafter advanced pursuant to the terms of this Deed of Trust; the interest then due or next to become due upon the Indebtedness secured hereby; the taxes

and assessments upon the Mortgaged Property then due or next to become due; or upon the unpaid principal of such Indebtedness.

The collection or receipt of Rents or Accounts by Lender, its agent or receiver, after notice of default and notice of sale shall not affect or impair such default or notices or any sale proceedings predicated thereon. Any Rents or Accounts in the possession of Lender, its agent or receiver, at the time of sale and not theretofore applied as herein provided, shall be applied in the same manner and for the same purposes as the proceeds of the sale. Lender shall not be under any obligation to make any of the payments or do any of the acts referred to in this Section, and any of the actions referred to in this Section may be taken by Lender regardless of whether any notice of default or notice of sale has been given hereunder and without regard to the adequacy of the security for the Indebtedness.

(q) Effect of Foreclosure on Leases. Lender shall have the right, at its option, to foreclose this Deed of Trust subject to the rights of any tenants of the Mortgaged Property, and the failure to make any tenants a party defendant to any foreclosure proceeding will not be asserted by the Borrower as a defense in any action or suit instituted to collect the Indebtedness or any deficiency remaining after foreclosure. Any such tenant whom Lender elects to not make a party or subject to any foreclosure action shall continue in possession of its leasehold for the unexpired term of its lease and shall attorn to Lender or other purchaser at the sale.

(r) Compliance with Washington Foreclosure Law. Without limiting the generality or efficacy of this Section 8 or any other provision of this Deed of Trust benefiting Lender, Borrower and Lender intend and believe that each provision in this Deed of Trust comports with any laws, rules or regulation governing the foreclosure of mortgage liens in Washington. If, however, any provision in this Deed of Trust or any other Loan Document shall be inconsistent with and unenforceable under any provision of the laws, rules or regulation governing the foreclosure of mortgage liens in Washington, the provisions of the laws, rules or regulation governing the foreclosure of mortgage liens in Washington shall take precedence over the provisions of this Deed of Trust or any other Loan Document, but shall not limit, waive, invalidate or render unenforceable any other provision of this Deed of Trust or any other Loan Document that can be construed in a manner consistent with the laws, rules or regulation governing the foreclosure of mortgage liens in Washington. Furthermore, if any provision of this Deed of Trust or any other Loan Document shall grant to Lender any rights or remedies upon default of Borrower which are more limited than the rights that would otherwise be vested in Lender or in mortgagees generally under the laws, rules or regulations governing the foreclosure of mortgage liens in Washington in the absence of said provision, Lender shall be vested with the rights granted by the laws, rules or regulations governing the foreclosure of mortgage liens in Washington to the fullest extent permitted by law.

9. **REMEDIES CUMULATIVE.** Each right and remedy provided in this Deed of Trust is distinct from all other rights or remedies under this Deed of Trust or any other Loan Document or afforded by applicable law, and each shall be cumulative and may be exercised concurrently, independently, or successively, in any order.

10. **FORBEARANCE.**

(a) Lender may agree with Borrower, from time to time, at Lender's option and without giving notice to, or obtaining the consent of, or having any effect upon the obligations of any guarantors of the Loan or other third party obligor: to extend the time for payment of all or any part of the Indebtedness, reduce the payments due under this Deed of Trust, the Note, or any other

Loan Document, release anyone liable for the payment of any amounts under this Deed of Trust, the Note, or any other Loan Document, accept a renewal of the Note, modify the terms and time of payment of the Indebtedness, join in any extension or subordination agreement, release any Mortgaged Property, take or release other or additional security, modify the rate of interest or period of amortization of the Note or change the amount of the monthly installments payable under the Note, or otherwise modify this Deed of Trust, the Note, or any other Loan Document.

(b) Any forbearance by Lender in exercising any right or remedy under the Note, this Deed of Trust, or any other Loan Document or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Lender of payment of all or any part of the Indebtedness after the due date of such payment, or in an amount which is less than the required payment, shall not be a waiver of Lender's right to require prompt payment when due of all other payments on account of the Indebtedness or to exercise any remedies for any failure to make prompt payment. Enforcement by Lender of any security for the Indebtedness shall not constitute an election by Lender of remedies so as to preclude the exercise of any other right available to Lender. Lender's receipt of any insurance and/or condemnation proceeds shall not operate to cure or waive any Event of Default unless such payment has completely cured the Event of Default and Lender is satisfied in its sole discretion that it has sufficient security for the remaining Loan Obligations.

11. **WAIVER OF STATUTE OF LIMITATIONS.** Borrower hereby waives the right to assert any statute of limitations as a bar to the enforcement of the lien of this Deed of Trust or to any action brought to enforce any Loan Document.

12. **WAIVER OF MARSHALLING.** Notwithstanding the existence of any other security interests in the Mortgaged Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Mortgaged Property shall be subjected to the remedies provided in this Deed of Trust, the Note, any other Loan Document or applicable law. Subject to applicable law, Lender 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 such remedies. Borrower and any party who now or in the future acquires a security interest in the Mortgaged Property and who has actual or constructive notice of this Deed of Trust waives any and all right to require the marshalling of assets or to require that any of the Mortgaged Property be sold in the inverse order of alienation or that any of the Mortgaged Property be sold in parcels or as an entirety in connection with the exercise of any of the remedies permitted by applicable law or provided in this Deed of Trust.

13. **FURTHER ASSURANCES.** Borrower shall execute, acknowledge, and deliver at its sole cost and expense, all further acts, deeds, conveyances, assignments, estoppel certificates, financing statements, transfers and assurances as Lender may reasonably require from time to time in order to assure, grant, and convey to Lender the rights intended to be granted, now or in the future, to Lender under this Deed of Trust and the Loan Documents.

14. **ENVIRONMENTAL INDEMNIFICATION.** This Deed of Trust also secures the performance of all obligations due to Lender by Borrower and the other above named parties under that certain Environmental Indemnification Agreement of even date herewith executed by Borrower and others for the benefit of Lender. A release of this Deed of Trust shall not be construed as or be deemed to constitute a termination or a waiver or release of such Environmental Indemnification Agreement, which instead shall continue in existence and terminate by its own terms.

15. **ASSIGNMENT OF LEASES AND RENTS.** The terms and provisions of that certain separate Assignment of Leases and Rents executed by Borrower in favor of Lender of even date herewith are hereby incorporated by reference herein and made a part hereof as if fully set forth herein.

16. **EXPENSES AND PREPAYMENT PREMIUMS.** Immediately upon the conclusion of any legal proceedings in which Lender prevails, there shall become due and owing by Borrower all expenses incident to such proceedings, all court costs and all expenses incident to any foreclosure proceedings brought under this Deed of Trust or otherwise in connection with such proceeding (including without limitation auctioneer's fees), plus interest thereon at the Default Rate from the time incurred. In partial consideration for Lender agreeing to make the Loan to Borrower, Borrower agrees that upon the occurrence of an Event of Default and acceleration of the Indebtedness secured hereby, any tender of payment by or on behalf of Borrower of the amount necessary to satisfy all of such Indebtedness made at any time before, or after any foreclosure sale shall constitute an evasion of the payment terms of the Note and hereunder, and shall be deemed to be a voluntary prepayment, and such payment, to the extent permitted by law, shall be accompanied by the Exit Fee, as provided in the Loan Agreement, and Lender shall not be obligated to accept any such tender of payment unless such tender of payment includes such Exit Fee.

17. **ACCELERATION INTEREST.** Upon any acceleration of the Indebtedness pursuant to the terms of the Note, Borrower shall pay interest on all sums due hereunder at the Default Rate.

18. **LATE FEES.** If any payment of interest or principal payable under the Note is not made within three (3) calendar days after the date on which such payment becomes due and payable, Borrower shall thereupon automatically become obligated immediately to pay to Lender or other holder of the Note a late payment charge, for each month during which a payment delinquency exists, equal to the lesser of five percent (5%) of the amount of such payment or the maximum amount permitted by applicable law to defray the expenses incurred by Lender or other holder of the Note in handling and processing such delinquent payment and to compensate Lender for the loss of use of such delinquent payment.

19. **FUTURE ADVANCES.** It is further covenanted and agreed by the parties hereto that this Deed of Trust also secures the payment of and includes all future or further advances as may be made by Lender herein or its successors or assigns, at the request of or for the benefit of Borrower, its heirs, personal representatives, successors or assigns, within ten (10) years from the date hereof or the maximum period allowed in the State of Washington, whichever is the lesser, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust. The total amount of principal indebtedness that may be secured by this Deed of Trust at any one time shall not exceed a maximum principal sum equal to twice the face amount of the Note, together with interest thereon and any and all disbursements made by Lender for the payment of taxes, levies or insurance on the property covered by the lien of this Deed of Trust with interest on such disbursements at the rate specified in the Note and for reasonable attorneys' fees and court costs incurred in the collection of any or all of such sums of money. Any such future advance shall be made in the sole discretion of Lender.

20. **RECORDATION.**

(a) Borrower forthwith upon the execution and delivery of this Deed of Trust and thereafter from time to time, will cause this Deed of Trust, and any security instrument creating a lien or evidencing the lien hereof upon the UCC Property and each instrument of further assurance, to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the interest of Lender in, the Mortgaged Property.

(b) Borrower shall pay all filing, registration or recording fees, and all expenses incident to the preparation, execution and acknowledgment of this Deed of Trust, any deed of trust, mortgage or other security instrument supplemental hereto, any security instrument with respect to the UCC Property encumbered hereby and any instrument of further assurance and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note, this Deed of Trust, any deed of trust, mortgage supplemental hereto, any security instrument with respect to the chattels or any instrument of further assurance.

21. **GOVERNING LAW.** This Deed of Trust shall be governed by and construed in accordance with the laws of the State of Washington without regard to principles of conflicts of laws, except that the internal laws of the State of New York (without regard to principles of conflicts of law) shall govern (a) those terms and conditions contained in the Note and the Loan Agreement which are incorporated by reference herein and (b) the resolution of issues arising under the Note and the Loan Agreement to the extent that such resolution is necessary to the interpretation of this Deed of Trust. Borrower agrees that its assets shall be used first to satisfy all claims of creditors organized or domiciled in the United States and that no assets of Borrower in the United States shall be considered part of any foreign bankruptcy estate.

22. **NOTICES.** Any notice or other communication required or permitted to be given in connection with this Deed of Trust shall be given in accordance with Section 8.8 of the Loan Agreement.

23. **INDEMNIFICATION.** BORROWER SHALL PROTECT, DEFEND, INDEMNIFY AND SAVE HARMLESS LENDER FROM AND AGAINST ALL LIABILITIES, OBLIGATIONS, CLAIMS, DAMAGES, PENALTIES, CAUSES OF ACTION, COSTS AND EXPENSES (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES AND EXPENSES) IMPOSED UPON OR INCURRED BY OR ASSERTED AGAINST LENDER (EXCEPT IF ARISING AFTER LENDER TAKES POSSESSION OF THE MORTGAGED PROPERTY) BY REASON OF (A) OWNERSHIP OF THIS DEED OF TRUST, THE MORTGAGED PROPERTY OR ANY INTEREST THEREIN OR RECEIPT OF ANY RENTS; (B) ANY ACCIDENT, INJURY TO OR DEATH OF PERSONS OR LOSS OF OR DAMAGE TO PROPERTY OCCURRING IN, ON OR ABOUT THE MORTGAGED PROPERTY OR ANY PART THEREOF OR, TO THE EXTENT ARISING BY, THROUGH OR UNDER BORROWER OR ITS AFFILIATES, ON THE ADJOINING SIDEWALKS, CURBS, ADJACENT PROPERTY OR ADJACENT PARKING AREAS, STREETS OR WAYS; (C) ANY USE, NONUSE OR CONDITION IN, ON OR ABOUT THE MORTGAGED PROPERTY OR ANY PART THEREOF OR ON THE ADJOINING SIDEWALKS, CURBS, ADJACENT PROPERTY OR ADJACENT PARKING AREAS, STREETS OR WAYS; (D) ANY FAILURE ON THE PART OF BORROWER, AFTER EXPIRATION OF APPLICABLE GRACE PERIODS, TO PERFORM OR COMPLY WITH ANY OF THE TERMS OF THIS DEED OF TRUST OR THE LOAN DOCUMENTS; (E) ANY CLAIMS BY ANY BROKER, PERSON OR ENTITY CLAIMING TO HAVE PARTICIPATED IN ARRANGING THE MAKING OF THE LOAN EVIDENCED BY THE NOTE; (F) PERFORMANCE OF ANY LABOR OR SERVICES OR THE FURNISHING OF ANY MATERIALS OR OTHER PROPERTY IN RESPECT OF THE MORTGAGED PROPERTY OR ANY PART THEREOF; OR (G) THE FAILURE OF ANY PERSON TO FILE TIMELY WITH THE INTERNAL REVENUE SERVICE AN ACCURATE FORM 1099-B, STATEMENT FOR RECIPIENTS OF PROCEEDS FROM REAL ESTATE, BROKER AND BARTER EXCHANGE TRANSACTIONS, WHICH MAY BE REQUIRED IN CONNECTION WITH THIS DEED OF TRUST, OR TO SUPPLY A COPY THEREOF IN A TIMELY FASHION TO THE RECIPIENT OF THE PROCEEDS OF THE TRANSACTION IN CONNECTION WITH WHICH THIS DEED OF TRUST IS MADE. ANY AMOUNTS PAYABLE TO LENDER BY REASON OF THE APPLICATION OF THIS SECTION 23, SHALL BECOME IMMEDIATELY DUE AND PAYABLE AND SHALL BEAR INTEREST AT THE DEFAULT RATE PROVIDED FOR IN THE NOTE FROM THE DATE OF DEMAND THEREFOR UNTIL PAID. THE OBLIGATIONS AND LIABILITIES OF

BORROWER UNDER THIS SECTION 23 SHALL SURVIVE ANY TERMINATION, SATISFACTION, ASSIGNMENT, ENTRY OF A JUDGMENT OF FORECLOSURE OR EXERCISE OF A POWER OF SALE OR DELIVERY OF A DEED IN LIEU OF FORECLOSURE OF THIS DEED OF TRUST.

24. **JOINT AND SEVERAL LIABILITY.** If more than one Person signs this Deed of Trust as mortgagor or borrower, the obligations of such persons and entities shall be joint and several. The term "Borrower" shall include all such Persons. Each representation, covenant, undertaking and other obligation of Borrower shall apply to all such Persons individually and collectively.

25. **RELATIONSHIP OF PARTIES; NO THIRD PARTY BENEFICIARIES.** The relationship between Lender and Borrower shall be solely that of creditor and debtors, respectively, and nothing contained in this Deed of Trust shall create any other relationship between Lender and Borrower. No creditor of any party to this Deed of Trust and no other Person shall be a third party beneficiary of this Deed of Trust or any other Loan Document.

26. **SEVERABILITY; AMENDMENTS.** The invalidity or unenforceability of any provision of this Deed of Trust shall not affect the validity or enforceability of any other provision, and all other provisions shall remain in full force and effect.

27. **ENTIRE AGREEMENT.** This Deed of Trust contains the entire agreement among the parties as to the rights granted and the obligations assumed in this Deed of Trust.

28. **AMENDMENT.** This Deed of Trust may not be amended or modified except by a writing signed by the party against whom enforcement is sought.

29. **ATTORNEYS' FEES.** Notwithstanding anything to the contrary herein or in any other Loan Document, should Lender retain counsel for the purpose of enforcing or preventing the breach of any provision hereof, including but not limited to instituting or defending any action or proceeding to enforce any provision hereof, Borrower agrees to pay all charges owed to Lender pursuant to the Loan Documents (including, without limitation, all reasonable attorneys' fees, consultants' fees, experts' fees and the like) in connection with the collection and/or enforcement of the Loan Documents, whether or not suit is brought against Borrower.

30. **WAIVER OF TRIAL BY JURY.** EACH OF BORROWER AND LENDER (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE THAT IS TRIABLE OF RIGHT BY A JURY; AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL, AND THIS WAIVER IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A JURY TRIAL WOULD OTHERWISE EXIST. BORROWER AND LENDER ARE AUTHORIZED TO SUBMIT THIS DEED OF TRUST TO ANY COURT HAVING JURISDICTION OVER THE SUBJECT MATTER AND THE PARTIES TO ANY LOAN DOCUMENT, SO AS TO SERVE AS CONCLUSIVE EVIDENCE OF BORROWER'S AND LENDER'S WAIVER OF THE RIGHT TO JURY TRIAL. FURTHER, BORROWER AND LENDER EACH CERTIFIES THAT NEITHER BORROWER'S NOR LENDER'S REPRESENTATIVES OR AGENTS HAVE REPRESENTED, EXPRESSLY OR OTHERWISE, THAT ENFORCEMENT OF THIS WAIVER WILL NOT BE SOUGHT.

31. **WAIVER OF AUTOMATIC STAY.** TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, BORROWER HEREBY AGREES THAT, IN CONSIDERATION OF LENDER'S

AGREEMENT TO MAKE THE LOAN AND IN RECOGNITION THAT THE FOLLOWING COVENANT IS A MATERIAL INDUCEMENT FOR LENDER TO MAKE THE LOAN, IN THE EVENT THAT BORROWER SHALL (I) FILE WITH ANY BANKRUPTCY COURT OF COMPETENT JURISDICTION OR BE THE SUBJECT OF ANY PETITION UNDER ANY SECTION OR CHAPTER OF TITLE 11 OF THE UNITED STATES CODE, AS AMENDED ("BANKRUPTCY CODE"), OR SIMILAR LAW OR STATUTE; (II) BE THE SUBJECT OF ANY ORDER FOR RELIEF ISSUED UNDER THE BANKRUPTCY CODE OR SIMILAR LAW OR STATUTE; (III) FILE OR BE THE SUBJECT OF ANY PETITION SEEKING ANY REORGANIZATION, ARRANGEMENT, COMPOSITION, READJUSTMENT, LIQUIDATION, DISSOLUTION, OR SIMILAR RELIEF UNDER ANY PRESENT OR FUTURE FEDERAL OR STATE ACT OR LAW RELATING TO BANKRUPTCY, INSOLVENCY, OR OTHER RELIEF FOR DEBTORS; (IV) HAVE SOUGHT OR CONSENTED TO OR ACQUIESCED IN THE APPOINTMENT OF ANY TRUSTEE, RECEIVER, CONSERVATOR, OR LIQUIDATOR; OR (V) BE THE SUBJECT OF AN ORDER, JUDGMENT OR DECREE ENTERED BY ANY COURT OF COMPETENT JURISDICTION APPROVING A PETITION FILED AGAINST BORROWER FOR ANY REORGANIZATION, ARRANGEMENT, COMPOSITION, READJUSTMENT, LIQUIDATION, DISSOLUTION, OR SIMILAR RELIEF UNDER ANY PRESENT OR FUTURE FEDERAL OR STATE ACT OR LAW RELATING TO BANKRUPTCY, INSOLVENCY OR RELIEF FOR DEBTORS, THEN, SUBJECT TO COURT APPROVAL, LENDER SHALL THEREUPON BE ENTITLED AND BORROWER HEREBY IRREVOCABLY CONSENTS TO, AND WILL NOT CONTEST, AND AGREES TO STIPULATE TO, RELIEF FROM ANY AUTOMATIC STAY OR OTHER INJUNCTION IMPOSED BY SECTION 362 OF THE BANKRUPTCY CODE, OR SIMILAR LAW OR STATUTE (INCLUDING, WITHOUT LIMITATION, RELIEF FROM ANY EXCLUSIVE PERIOD SET FORTH IN SECTION 1121 OF THE BANKRUPTCY CODE) OR OTHERWISE, ON OR AGAINST THE EXERCISE OF THE RIGHTS AND REMEDIES OTHERWISE AVAILABLE TO LENDER AS PROVIDED IN THE LOAN DOCUMENTS, AND AS OTHERWISE PROVIDED BY LAW, AND BORROWER HEREBY IRREVOCABLY WAIVES ITS RIGHTS TO OBJECT TO SUCH RELIEF.

32. **SUCCESSORS AND ASSIGNS BOUND.** This Deed of Trust shall bind, and the rights granted by this Deed of Trust shall inure to, the respective permitted successors and assigns of Lender and Borrower.

33. **LOAN AGREEMENT GOVERNS.** The Loan is governed by the terms and conditions set forth in the Loan Agreement, and in the event of any conflict between the terms of this Deed of Trust or the other Loan Documents and the terms of the Loan Agreement, the terms of the Loan Agreement shall control; provided, however, in the event there is any apparent conflict between any particular term or provision which appears in both the Loan Agreement and this Deed of Trust and it is possible and reasonable for the terms of both the Loan Agreement and this Deed of Trust to be performed or complied with, then, notwithstanding the foregoing, both the terms of the Loan Agreement and this Deed of Trust shall be performed or complied with.

34. **MISCELLANEOUS.** The captions and headings of the sections of this Deed of Trust are for convenience only and shall be disregarded in construing this Deed of Trust. Any reference in this Deed of Trust to an "Exhibit" or a "Section" shall, unless otherwise explicitly provided, be construed as referring, respectively, to an Exhibit attached to this Deed of Trust or to a section of this Deed of Trust. All exhibits or schedules attached to or referred to in this Deed of Trust are incorporated by reference into this Deed of Trust. Any reference in this Deed of Trust to a statute or regulation shall be construed as referring to that statute or regulation as amended from time to time. Use of the singular in this Deed of Trust includes the plural and use of the plural includes the singular. As used in this Deed of Trust, the term "including" means "including, but not limited to."

35. **TRUSTEE'S POWERS AND LIABILITIES.** Lender may substitute, for any reason whatsoever, a successor Trustee or successor Trustees for the Trustee hereunder from time to time by an instrument in writing in any manner now or hereafter provided by law. Such right of substitution may be exercised at any time and more than once for so long as any part of the Loan Obligations remains unpaid. Such writing, upon recordation, shall be conclusive proof of proper substitution of each such successor Trustee or Trustees, who shall thereupon and without conveyance from the predecessor Trustee, succeed to all its title, estate, rights, powers and duties hereunder. The making of oath and giving bond by Trustee or any successor Trustee is hereby expressly waived by Borrower to the fullest extent permitted by law. The Trustee may sell and convey said property under the power set out herein, to any person, firm or corporation, although said Trustee has been, may now be or may hereafter be attorney for or agent of Lender.

(a) At any time or from time to time, without liability therefor, and without notice, upon the written request of Lender and presentation of this Deed of Trust for endorsement, without affecting the liability of any person for the payment of the Loan Obligations, and without affecting the lien created by the Deed of Trust upon the Mortgaged Property for the full amount of all amounts secured hereby, upon Lender's request Trustee shall (i) release all or any part of the Mortgaged Property, (ii) consent to the making of any map or plat thereof, (iii) join in granting any easement thereon or in creating any covenants or conditions restricting use or occupancy thereof, or (iv) join in any extension agreement or in any agreement subordinating the lien or charge hereof.

(b) Upon written request of Lender stating that all of the Loan Obligations have been paid in full, and upon surrender of this Deed of Trust to Trustee for cancellation and retention, and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder then the Mortgaged Property shall be reconveyed to Borrower or the title thereto shall be revested according to the provisions of law. The recitals in any such reconveyance of any matters or facts shall be conclusive proof of the truth thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

(c) Trustee is not obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Borrower, Lender or Trustee shall be a party, unless brought by Trustee.

(d) Lender in any event is hereby authorized to appoint a substitute trustee, or a successor trustee, to act instead of the Trustee named herein without other formality than the designation in writing of a substitute or successor trustee, such written designation to be in proper recordable form; and the authority hereby conferred shall extend to the appointment of other successor and substitute trustees successively until the Loan Obligations and other sums hereby secured have been paid in full, or until said property is sold hereunder, and each substitute and successor trustee shall succeed to all of the rights and powers of the original trustee named herein as if such successor had been originally named as Trustee hereunder.

(e) No bond shall ever be required of the Trustee, original or substitute. The recitals in any conveyance made by the Trustee, original or substitute, shall be accepted and construed in court and elsewhere as prima facie evidence and proof of the facts recited, and no other proof shall be required as to the request by Lender to the Trustee to enforce this Deed of Trust, or as to the notice of or holding of the sale, or as to any particulars thereof, or as to the resignation of the Trustee, original or substitute, or as to the inability, refusal or failure of the Trustee, original or substitute, to act, or as to the election of Lender to appoint a new Trustee, or as to appointment of a substitute Trustee, and to the extent permitted by the laws of the State in which the Land is located, all prerequisites of said sale shall be presumed to have been performed; and each sale made under the powers herein granted shall be a perpetual bar against Borrower and the heirs, personal

representatives, successors and assigns of Borrower. Trustee, original or substitute, is hereby authorized and empowered to appoint any one or more persons as attorney-in-fact to act as Trustee under him and in his name, place and stead in order to take any actions that Trustee is authorized and empowered to do hereunder, such appointment to be evidenced by an instrument signed and acknowledged by said Trustee, original or substitute; and all acts done by said attorney-in-fact shall be valid, lawful and binding as if done by said Trustee, original or substitute, in person.

(f) The acceptance by Trustee of this trust shall be evidenced when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

(g) The trust created hereby is irrevocable by Borrower. No offset or claim that Borrower now or may in the future have against Lender shall relieve Borrower from paying installments or performing any other obligation herein or secured hereby.

(h) Trustee shall not be required to take any action toward the execution and enforcement of the trust hereby created or to institute, appear in, or defend any action, suit, or other proceeding in connection therewith where, in Trustee's opinion, such action would be likely to involve Trustee in expense or liability, unless requested so to do by a written instrument signed by Lender and, if Trustee so requests, unless Trustee is tendered security and indemnity satisfactory to Trustee against any and all cost, expense, and liability arising therefrom. Trustee shall not be responsible for the execution, acknowledgment, or validity of the Loan Documents, or for the proper authorization thereof, or for the sufficiency of the lien and security interest purported to be created hereby, and Trustee makes no representation in respect thereof or in respect of the rights, remedies, and recourses of Lender.

(i) With the approval of Lender, Trustee shall have the right to take any and all of the following actions: (i) to select, employ, and advise with counsel (who may be, but need not be, counsel for Lender) 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 his agents or attorneys, (iii) to select and employ, in and about the execution of his 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 as Lender may instruct Trustee to take to protect or enforce Lender'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 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. BORROWER WILL, FROM TIME TO TIME, REIMBURSE TRUSTEE FOR, AND INDEMNIFY AND HOLD HARMLESS TRUSTEE AGAINST, ANY AND ALL LIABILITY AND EXPENSES WHICH MAY BE INCURRED BY TRUSTEE IN THE PERFORMANCE OF TRUSTEE'S DUTIES.

(j) 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, but need not be segregated in any manner from any other moneys (except to the extent required by applicable law) and Trustee shall be under no liability for interest on any moneys received by Trustee hereunder.

(k) Should any deed, conveyance, or instrument of any nature be required from Borrower by any Trustee or substitute Trustee to more fully and certainly vest in and confirm to the Trustee or substitute Trustee such estates, rights, powers, and duties, then, upon request by the 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 Borrower.

(l) By accepting or approving anything required to be observed, performed, or fulfilled or to be given to Trustee pursuant to the Loan Documents, including without limitation, any deed, conveyance, instrument, officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey, appraisal, or insurance policy, Trustee shall not 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.

[continued on following page]

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

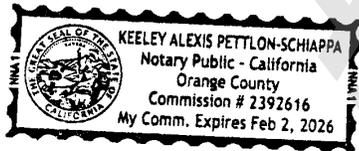
State of California }
County of Orange }

On 07-09-2025 before me, Keeley Alexis Pettlon-Schiappa, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Edward E. Fernandez
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal and/or Stamp Above

Signature *Keeley Alexis Pettlon-Schiappa*
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

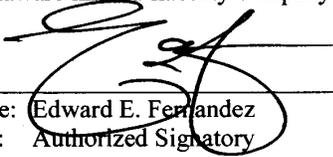
Description of Attached Document

Title or Type of Document: _____
Document Date: _____ Number of Pages: _____
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____
 Corporate Officer – Title(s): _____ Corporate Officer – Title(s): _____
 Partner – Limited General Partner – Limited General
 Individual Attorney in Fact Individual Attorney in Fact
 Trustee Guardian or Conservator Trustee Guardian or Conservator
 Other: _____ Other: _____
Signer is Representing: _____ Signer is Representing: _____

CHR SEDRO WOOLLEY TRS LLC,
a Delaware limited liability company

By: 
Name: Edward E. Fernandez
Title: Authorized Signatory

STATE OF _____)
) ss.
COUNTY OF _____)

On _____, 2025, before me personally appeared Edward E. Fernandez, to me known to be the Authorized Signatory of CHR SEDRO WOOLLEY TRS LLC, a Delaware limited liability company, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company, for the uses and purposes therein mentioned, and such person on oath stated that such person was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Print Name: _____
NOTARY PUBLIC in and for the State of _____,
residing at _____
My appointment expires _____

ds

See Attached Certificate

CALIFORNIA ACKNOWLEDGMENT

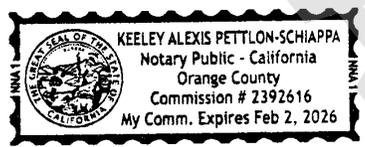
CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of Orange }

On 07-09-2025 before me, Keeley Alexis Pettlon-Schiappa, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Edward E. Fernandez
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Keeley Pettlon-Schiappa*
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document
Title or Type of Document: _____
Document Date: _____ Number of Pages: _____
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____	Signer's Name: _____
<input type="checkbox"/> Corporate Officer – Title(s): _____	<input type="checkbox"/> Corporate Officer – Title(s): _____
<input type="checkbox"/> Partner – <input type="checkbox"/> Limited <input type="checkbox"/> General	<input type="checkbox"/> Partner – <input type="checkbox"/> Limited <input type="checkbox"/> General
<input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact	<input type="checkbox"/> Individual <input type="checkbox"/> Attorney in Fact
<input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator	<input type="checkbox"/> Trustee <input type="checkbox"/> Guardian or Conservator
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other: _____
Signer is Representing: _____	Signer is Representing: _____

**EXHIBIT A
TO
DEED OF TRUST AND SECURITY AGREEMENT**

Description of the Land

Lots 1- 15, inclusive, and Lots 17-30, inclusive, Block 115, "PLAT OF THE TOWN OF SEDRO" as per plat recorded in Volume 1 of Plats, Page 18, records of Skagit County, Washington.

TOGETHER WITH those portions of vacated Woods Avenue, Graves Street also known as Fairhaven Street and the alley located in said block pursuant to City of Sedro-Woolley Ordinance No. 1253-96, dated February 12, 1996, which attached to the premise by operation of law.

Situated in Skagit County, Washington.

**ANNEX A
TO
DEED OF TRUST AND SECURITY AGREEMENT**

Local Law Provisions

- (a) **Inconsistencies.** In the event of any inconsistencies between the terms, conditions and provisions of this Annex A and the other terms, conditions and provisions of this Deed of Trust, the terms, conditions and provisions of this Annex A shall control and be binding. When necessary to avoid any inconsistency or to ensure compliance with applicable Washington law, including without limitation RCW 61.24 (the "***Deed of Trust Act***"), any procedures provided for in this Deed of Trust that are inconsistent with those required by Washington law shall be modified by and replaced with the procedures or requirements of the laws of the State of Washington.
- (b) **Acceleration/Remedies.** In addition to any other remedies provided for elsewhere in this Deed of Trust, upon the occurrence of any Event of Default, and at any time while such Event of Default is continuing, Beneficiary may do one or more of the following:
- (i) Foreclose this Deed of Trust judicially, in the same manner as a mortgage;
 - (ii) Cause the Trustee to exercise its power of sale in accordance with the provisions of this Deed of Trust and the Deed of Trust Act of the State of Washington, as now existing or hereafter amended;
 - (iii) Sue on the Note or Loan Agreement according to law;
 - (iv) To the extent permitted by law, including, without limitation RCW 61.24.100, Beneficiary shall have the right to seek and obtain a deficiency judgment following the completion of a judicial foreclosure or a Trustee's sale of all or part of the Property; or
 - (v) Apply for the appointment of a receiver, trustee, liquidator or conservator of the Property, without notice and without regard for the adequacy of the security for the Loan Obligations and without regard for the solvency of Borrower, any guarantor, indemnitor with respect to the Loan or of any Person liable for the payment of the Loan;

The procedure for exercise of the Trustee's power of sale shall be as follows: upon written request therefore by Beneficiary 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 property to be sold to satisfy the obligation secured hereby, and shall cause such notice to be given according to law.

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 Borrower, shall sell the 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. Borrower agrees that such a sale (or sheriff's sale pursuant to judicial foreclosure) of all the Property as real estate constitutes a commercially reasonable disposition thereof, but that with respect to all or any part of the Property which may be personal property, Trustee shall have and exercise, at Beneficiary'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. Trustee may postpone sale of all or any portion of the 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 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 Borrower or Beneficiary, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, and of this trust, including the cost of evidence of title search and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof not then repaid, with accrued interest at the default rate of interest specified in the Note; all other sums then secured hereby; and the remainder, if any, to the clerk of the superior court of the county in which the sale took place, as provided in RCW 61.24.080.

(c) Wrongful Retention. The failure of Borrower to comply with any provisions of this Deed of Trust relating to the use or delivery of any Rents, proceeds of insurance, or condemnation awards to Beneficiary will be deemed a wrongful retention thereof, and Borrower will remain personally liable therefor after a trustee's sale to the extent the fair value of the Mortgaged Property is less than the indebtedness on the date of the trustee's sale.

(d) Waste. Any voluntary demolition or destruction of any improvements in violation of this Deed of Trust; any failure to maintain or repair improvements as provided in this Deed of Trust; any failure to correct any design or construction defect; any failure to alter or retrofit the Improvements to comply with any existing or future statute, law or ordinance; or any violation of any environmental law by Borrower, or its employees, agents, contractors, or tenants, shall constitute waste to the Mortgaged Property, and Borrower will remain personally liable therefor after a trustee's sale to the extent such waste causes the fair value of the Mortgaged Property to be less than the indebtedness on the date of the trustee's sale.

(e) Substitution of Trustee. Pursuant to RCW 61.24.010(2), the powers of the Trustee may be exercised by any successor the Trustee with the same effect as if exercised by Trustee. Borrower hereby grants to the Lender, in its sole discretion, the right and power to appoint a substitute trustee or trustees for any reason whatsoever. Such substitution shall be made by an instrument duly executed and acknowledged and recorded where this Deed of Trust is recorded.

(f) Performance of Duties; Liability. The Trustee shall perform and fulfill faithfully its Loan Obligations hereunder, but it shall be under no duty to act until it receives notice of the occurrence of an Event of Default from the Lender and arrangements have been made which are satisfactory to it for the indemnification to which it is entitled, the payment of its compensation and the reimbursement of any expenses it may incur in the performance of its duties. It shall have no liability for its acts unless it is guilty of willful misconduct or gross negligence.

(g) Trustee's Fees. Borrower shall pay the Trustee reasonable compensation for any and all services performed, and all its reasonable expenses, charges, attorneys' fees and other Loan Obligations incurred in the administration and execution of the trusts hereby created and the performance of its duties and powers hereunder, which compensation, expenses, fees and disbursements shall constitute a part of the Indebtedness secured hereby.

(h) Reconveyance. Trustee shall reconvey all or any part of the Property covered by this Deed of Trust to the person entitled thereto, upon written request of the Lender and Borrower, or upon full satisfaction of

the Loan Obligations and Indebtedness secured hereby and written request of the Lender or the person entitled thereto.

(i) Procedure of Trustee's Power of Sale. Except as otherwise prescribed by applicable law, the procedure for exercise of the Trustee's power of sale under this Deed of Trust shall be as follows:

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

(ii) Notice of sale having been given as then required by applicable law and not less than the time then required by applicable law having elapsed after recordation of such notice of breach, Trustee, without demand on Borrower, shall sell the 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. Borrower agrees that such sale (or a sheriff's sale pursuant to judicial foreclosure) of all the Property as real estate constitutes a commercially reasonable disposition thereof, but that with respect to all or any part of the Property which may be personal property, the Trustee shall have and exercise, at the sole election of the Lender, all the rights and remedies of a secured party under the UCC. Whatever notice is permitted or required hereunder or under the UCC, ten (10) days shall be deemed reasonable. The Trustee may postpone sale of all or any portion of the Property, and from time to time thereafter may postpone such sale, as provided by statute. The Trustee shall deliver to the purchaser its deed and bill of sale conveying the 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 the Trustee, including Borrower or the Lender, may purchase at such sale.

(iii) After deducting all costs, fees and expenses of the Trustee, and of this Deed of Trust, including the cost of evidence of title search and reasonable counsel fees in connection with sale, the Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof not then repaid, with accrued interest at the Default Rate of interest specified in the Loan Documents; all other sums then secured hereby; and the remainder, if any, to the clerk of the superior court of the county in which the sale took place, as provided in RCW 61.24.080.

(j) Commercial Loan. Borrower warrants that the proceeds of the Loan are for commercial purposes only and not for personal, family or household purposes pursuant to RCW Chapters 19.52 and 61.24.

(k) Non-Agricultural Use. The Property is not presently and will not during the term of this Deed of Trust be, used principally or at all for agricultural or farming purposes.

(l) Washington Statue of Frauds Notice. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT, OR FOREBEAR FROM ENFORCING REPAYMENT OF THE INDEBTEDNESS ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

(m) Excluded Obligation. Notwithstanding any term, condition, or provision of this Deed of Trust or any other Loan Document to the contrary, this Deed of Trust does not secure: (i) any guaranty of the Loan Obligations of Borrower under the Note, or other Loan Documents; (ii) any environmental indemnification agreement executed by Borrower or any other party in connection with the Loan secured hereby; or (iii)

any provision of this Deed of Trust, the Loan Agreement or any other Loan Document that would, under RCW Ch. 61.24, be considered the "substantial equivalent" of an environmental indemnification agreement described in clause (ii) above.

(n) Assignment of Leases and Rents. The Assignment of Leases and Rents set forth in Section 6 hereof is intended to be specific, perfected and choate upon recording as provided in RCW Section 7.28.230.

(o) Waiver of Immunity Under RCW Chapter 51. With respect to any contractual matters that are within the scope of RCW Section 4.24.115, Borrower expressly (1) waives Borrower's immunity under RCW Chapter 51 and acknowledges that such waiver was mutually negotiated by the parties; and (2) agrees to indemnify the Lender. The scope of this indemnity shall be limited with regard to damages for bodily injury to persons or damage to property resulting from the concurrent negligence of Borrower or Borrower's agents or employees and of the Lender or agents or employees of the Lender, as to which Borrower agrees to indemnify the Lender to the extent of the negligence of Borrower or Borrower's agents or employees. Nothing herein shall be deemed to require Borrower to indemnify the Lender against the sole or concurrent negligence of the s if such indemnity would be prohibited under RCW Section 4.24.115. The parties intend that under indemnity provisions herein, unless otherwise expressly limited herein, Borrower shall indemnify the Lender to the fullest extent not prohibited by law, including, without limitation, in the event of the sole or concurrent negligence of the Lender or of any other person or entity.

(p) Acceptance and Nature of Trust. The acceptance by Trustee of this trust shall be evidenced when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. The trust created hereby is irrevocable by Borrower.