

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address)
POLSINELLI 900 W. 48 th Place, Suite 900 Kansas City, MO 64112 Attn: Christine Hoag

Chicago Title
500164838

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

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

1a. ORGANIZATION'S NAME				
SAGE-WALNUT TRAIL BORROWER, LLC				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING	CITY	STATE	POSTAL CODE	COUNTRY
9505 19th Avenue SE, Suite 118	Everett	WA	98208	USA

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

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

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

3a. ORGANIZATION'S NAME				
PRIME FINANCE SHORT DURATION HOLDING COMPANY 9, LLC				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
c/o Prime Finance Partners 155 N. Wacker Drive, Suite 3600	Chicago	IL	60606	USA

4. COLLATERAL: This financing statement covers the following collateral parcel# P24258/340408-2-016-0303

All fixtures, assets and personal property of the Debtor, whether now owned or hereafter acquired, including, without limitation, the property described in the Schedule of Collateral attached hereto and incorporated herein by reference, and all products and proceeds thereof and additions and accessions thereto. Legal: Ptn. SW NW, Sec. 8-34-4E, AKA New Lt C, BLA, Rec. No. 202308010027

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:
 Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
Prime/Walnut Trails/File No.: 066558-869087 - To be filed in Skagit County, WA

International Association of Commercial Administrators (IACA)

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

SAGE-WALNUT TRAIL BORROWER, LLC	
OR	
9b. INDIVIDUAL'S SURNAME	
FIRST PERSONAL NAME	
ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a. ORGANIZATION'S NAME

OR

10b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)

10c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
USA

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME

OR

11b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
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11c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY
USA

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

13. <input checked="" type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)	14. This FINANCING STATEMENT: <input type="checkbox"/> covers timber to be cut <input type="checkbox"/> covers as-extracted collateral <input checked="" type="checkbox"/> is filed as a fixture filing
15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):	16. Description of real estate: See Exhibit "A" attached hereto and made a part hereof.

17. MISCELLANEOUS:
Prime/Walnut Trails/File No.: 066558-869087 - To be filed in Skagit County, WA

International Association of Commercial Administrators (IACA)

FILING OFFICE COPY — UCC FINANCING STATEMENT ADDENDUM (Form UCC1Ad) (Rev. 04/20/11)

SCHEDULE OF COLLATERAL
SAGE-WALNUT TRAIL BORROWER, LLC, AS DEBTOR,
PRIME FINANCE SHORT DURATION HOLDING COMPANY 9, LLC, AS
SECURED PARTY

The land described in Exhibit A (the “**Premises**”), and the buildings, structures, fixtures and other improvements now or hereafter located thereon (the “**Improvements**”); **TOGETHER WITH:** all right, title, interest and estate of Debtor now owned, or hereafter acquired, in and to the following property, rights, interests and estates (the Premises, the Improvements, and the property, rights, interests and estates hereinafter described are collectively referred to herein as the “**Encumbered Property**”):

(a) all easements, rights-of-way, strips and gores of land, streets, ways, alleys, passages, sewer rights, water, water courses, water rights and powers, air rights and development rights, rights to oil, gas, minerals, coal and other substances of any kind or character, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances of any nature whatsoever, in any way belonging, relating or pertaining to the Premises and the Improvements; and the reversion and reversions, remainder and remainders, and all land lying in the bed of any street, road, highway, alley or avenue, opened, vacated or proposed, in front of or adjoining the Premises, to the center line thereof; and all the estates, rights, titles, interests, dower and rights of dower, curtesy and rights of curtesy, property, possession, claim and demand whatsoever, both at law and in equity, of Debtor of, in and to the Premises and the Improvements and every part and parcel thereof, with the appurtenances thereto;

(b) all machinery, furniture, furnishings, equipment, computer software and hardware, fixtures (including all heating, air conditioning, plumbing, lighting, communications and elevator fixtures), inventory, materials, supplies and other articles of personal property and accessions thereof, renewals and replacements thereof and substitutions therefor, and other personal property of every kind and nature, tangible or intangible, owned by Debtor, or in which Debtor has or shall have an interest, now or hereafter located upon the Premises or the Improvements, or appurtenant thereto, and usable in connection with the present or future operation and occupancy of the Premises and the Improvements (hereinafter collectively referred to as the “**Equipment**”), including any leases of, deposits in connection with, and proceeds of any sale or transfer of any of the foregoing, and the right, title and interest of Debtor in and to any of the Equipment that may be subject to any “security interest” as defined in the Uniform Commercial Code, as in effect in the State where the Encumbered Property is located (the “**UCC**”), superior in lien to the lien granted to Secured Party;

(c) all awards or payments, including interest thereon, that may heretofore or hereafter be made with respect to the Premises or the Improvements, whether from the exercise of the right of eminent domain or condemnation (including any transfer made in lieu of or in anticipation of the exercise of such right), or for a change of grade, or for any other injury to or decrease in the value of the Premises or Improvements;

(d) all leases, subleases and other agreements or arrangements heretofore or hereafter entered into affecting the use, enjoyment or occupancy of, or the conduct of any activity upon or in, the Premises or the Improvements, and any agreements providing for the termination

or settlement of any of the foregoing or in any manner affecting the timing or term of any of the foregoing, including any extensions, renewals, modifications or amendments thereof (hereinafter collectively referred to as the “**Leases**”) and all rents, rent equivalents, moneys payable as damages (including payments by reason of the rejection of a Lease in a filing of a petition under any state or federal bankruptcy or insolvency law or the liquidation of the Encumbered Property or all or a major portion of its property) or in lieu of rent or rent equivalents, royalties (including all oil and gas or other mineral royalties and bonuses), income, fees, receivables, receipts, revenues, economic stimulus, incentive or other similar payments received directly or indirectly from any Governmental Authority or quasi-Governmental Authority, whether in the form of aide, money, relief, or another compensation scheme (including any of the foregoing initiated in connection with the COVID-19 virus or any other pandemic or epidemic), deposits (including security, utility and other deposits), accounts, cash, issues, profits, charges for services rendered, lease termination fees or payments, other payments in consideration of any modification or termination of any of the foregoing, and other consideration of whatever form or nature received by or paid to or for the account of or benefit of Debtor or its agents or employees from any and all sources arising from or attributable to the Premises and/or the Improvements, including all receivables, customer obligations, installment payment obligations and other obligations now existing or hereafter arising or created out of the sale, lease, sublease, license, concession or other grant of the right of the use and occupancy of the Premises or the Improvements, or rendering of services by Debtor or any of its agents or employees, and proceeds, if any, from business interruption or other loss of income insurance (hereinafter collectively referred to as the “**Rents**”), whether denominated as rents from real property or accounts receivable under applicable law, together with all proceeds from the sale or other disposition of the Leases and the right to receive and apply the Rents to the payment of the Debt (as such term is defined in the Mortgage or Deed of Trust from Debtor to or for the benefit of Secured Party);

(e) all proceeds of and any unearned premiums on any insurance policies covering the Encumbered Property, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for damage to the Encumbered Property;

(f) the right, in the name and on behalf of Debtor, to appear in and defend any action or proceeding brought with respect to the Encumbered Property and to commence any action or proceeding to protect the interest of Secured Party in the Encumbered Property;

(g) all accounts (including reserve accounts), escrows, documents, instruments, chattel paper, deposit accounts, claims, deposits and general intangibles, as the foregoing terms are defined in the UCC, and all franchises, trade names, trademarks, symbols, service marks, books, records, plans, specifications, designs, drawings, surveys, title insurance policies, permits, consents, licenses, management agreements, contract rights (including any contract with any architect or engineer or with any other provider of goods or services for or in connection with any construction, repair or other work upon the Encumbered Property), approvals, actions, refunds of real estate taxes and assessments (and any other governmental impositions related to the Encumbered Property) and causes of action that now or hereafter relate to, are derived from or are used in connection with the Encumbered Property, or the use, operation, maintenance, occupancy or enjoyment thereof or the conduct of any business or activities thereon (hereinafter collectively referred to as the “**Intangibles**”);

(h) any interest rate protection arrangement to which Debtor is a party, and all agreements, instruments, documents and contracts now or hereafter entered into by Debtor with respect to any such interest rate protection arrangement; and

(i) all proceeds, products, offspring, rents and profits from any of the foregoing, including those from sale, exchange, transfer, collection, loss, damage, disposition, substitution, replacement, modification or termination of any of the foregoing.

Without limiting the generality of any of the foregoing, in the event that a case under Title 11 of the United States Code (the "**Bankruptcy Code**") is commenced by or against Debtor, pursuant to Section 552(b)(2) of the Bankruptcy Code, the security interest granted to Secured Party shall automatically extend to all Rents acquired by Debtor after the commencement of the case and shall constitute cash collateral under Section 363(a) of the Bankruptcy Code.

**EXHIBIT A TO
SCHEDULE OF COLLATERAL
SAGE-WALNUT TRAIL BORROWER, LLC, AS DEBTOR,
PRIME FINANCE SHORT DURATION HOLDING COMPANY 9, LLC, AS
SECURED PARTY**

A parcel of land lying within the Southwest quarter of the Northwest quarter in Section 8, Township 34 North, Range 4 East, W.M., City of Burlington, Skagit County, Washington, more specifically described as follows:

Commencing at the Northwest corner of said Southwest quarter of the Northwest quarter in Section 8; Thence South 87°52'09" East, along the North line thereof, 40.04 feet to a point on the Easterly margin of South Burlington Boulevard;
Thence South 00°25'32" East, along the East margin thereof, 78.85 feet;
Thence South 87°52'09" East 2.00 feet;
Thence North 45°47'11" East 32.85 feet;
Thence South 87°52'09" East 67.82 feet to the Point of Beginning;
Thence continuing South 87°52'09" East 29.90 feet to the beginning of a curve to the left having a radius of 635.00 feet;
Thence Northeasterly along the arc of said curve 147.20 feet through a central angle of 13°16'55" to the beginning of a reverse curve to the right having a radius of 300.00 feet;
Thence Northeasterly along the arc of said curve 69.54 feet through a central angle of 13°16'55" to a point on a line parallel with and 30.00 feet Southerly from when measured at right angles to the aforesaid North line of the Southwest quarter of the Northwest quarter
Thence South 87°52'09" East, along said parallel line, 366.57 feet to the East line of Tract A of Burlington Short Plat No. BURL-2-80, recorded April 3, 1980 under Auditor's File No. 8004030029, in Volume 4 of Short Plats, page 63, records of Skagit County, Washington;
Thence South 00°48'02" West, along the East line and Southerly extension thereof, 269.77 feet to the Southeast corner of Tract C of said Short Plat No. BURL-2-80;
Thence North 87°52'09" West along the South line and Westerly extension thereof, 590.06 feet;
Thence North 00°25'32" West, along the East line of Tract B of said Short Plat No. BURL-2-80, a distance of 70.00 feet;
Thence North 87°52'09" West, along the South line of said Tract B, 16.55 feet;
Thence North 00°25'32" West 174.93 feet to the Point of Beginning.

(Also known as New Lot C of Boundary Line Adjustment recorded August 1, 2023 under recording number 202308010027, formerly portions of Tracts A, B and C of Burlington Short Plat No. BURL-2-80, approved March 26, 1980 and recorded April 3, 1980 under Auditor's File No. 8004030029, in Volume 4 of Short Plats, page 63, records of Skagit County, Washington.)

Situate in the County of Skagit, State of Washington.