

This Space Provided for Recorder's Use

When Recorded Mail To:

Credit Union 1
Attn: Commercial Lending
450 E. 22nd Street, Suite 250
Lombard, IL 60148-6176

GRANTOR: TALLWOODS, LLC, a Washington limited liability company

GRANTEE: Credit Union 1, an Illinois state-chartered credit union

ABBREVIATED

LEGAL DESCRIPTION: Lot 1, Blk. 133, Burlington 1st, and Ptn. NW, 5-34-4E, W.M.

ASSESSOR'S PROPERTY

TAX PARCEL OR ACCOUNT NO(s): P72182, P118421, and P118422

DEED OF TRUST

INSURED BY
CHICAGO TITLE
620060771

THIS DEED OF TRUST is made this 3rd day of February, 2026 between TALLWOODS, LLC, a Washington limited liability company, referred to as GRANTOR, whose address is 16618 NE 180th Place, Woodinville, Washington 98072 and Chicago Title Company of Washington, referred to as TRUSTEE, whose address is 425 Commercial Street, Mount Vernon, WA 98273, and Credit Union 1, an Illinois state-chartered credit union, referred to sometimes as GRANTEE and sometimes as BENEFICIARY, whose address is 450 E. 22nd Street, Suite 250, Lombard, IL 60148-6176.

Section 1: Deed of Trust:

WITNESSETH: GRANTOR hereby bargains, sells, and conveys to Trustee in trust, with power of sale, right of entry and possession and for the benefit and security of BENEFICIARY, real estate located at 816 S Spruce St, Burlington, WA 98233, as more particularly described on Exhibit A attached to this Deed of Trust.

This Deed of Trust is for the purpose of securing performance of each agreement of GRANTOR, and the payment of the sum of One Million Eight Hundred Thirty Thousand Four Hundred and 00/100 Dollars (\$1,830,400.00) with interest, in accordance with the terms of a Promissory Note and Loan Agreement entered into on this date, payable to GRANTEE, or order, and made by GRANTOR, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by GRANTEE to GRANTOR, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

The property which is the subject of this Deed of Trust is not used principally or primarily for agricultural or farming purposes.

To protect the security of this Deed of Trust, GRANTOR covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.

2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust.

3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by the Deed of Trust. All policies shall be held by the GRANTEE and be in such companies as the GRANTEE may approve and have loss payable first to the GRANTEE, as their interest may appear, and then to the GRANTOR. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the GRANTEE shall determine. Such application by the GRANTEE shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the GRANTOR in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of GRANTEE or Trustee, and to pay all costs and expenses, including costs of title search and attorneys' fees in a reasonable amount, in any such action or

proceeding, and in any suit brought by GRANTEE to foreclose this Deed of Trust.

5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should GRANTOR fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, GRANTEE may pay the same, and the amount so paid, with interest at the rate set forth in the Note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to GRANTEE to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, GRANTEE do not waive their right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the GRANTOR and the GRANTEE, or upon satisfaction of the obligation secured and written request for reconveyance made by the GRANTEE or the person entitled thereto.

3. Upon default by GRANTOR in payment of any indebtedness secured hereby, or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the GRANTEE. In such event and upon written request of GRANTEE, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person, except the Trustee, may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (a) to the expense of the sale, including reasonable Trustee's fees and attorneys' fees; (b) to the obligation secured by this Deed of Trust; (c) the surplus, if any, shall be distributed to the persons entitled thereto.

4. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which GRANTOR had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value.

5. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; GRANTEE may cause this Deed of Trust to be foreclosed as a mortgage.

In the event of the death, incapacity, disability or resignation of Trustee, GRANTEE may appoint in writing a successor Trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the Successor Trustee shall be vested with all powers of the original Trustee. The Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which GRANTOR, Trustee or GRANTEE shall be a party unless the Trustee brings such action or proceeding.

6. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors and assigns. The term GRANTEE shall mean the holder and owner of the Note secured hereby, whether or not named as GRANTEE herein.

GRANTOR hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Washington as to all Indebtedness secured hereby.

GRANTOR acknowledges and agrees that the debt secured hereby is a commercial loan not made primarily for personal, family or household purposes.

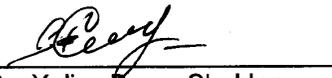
ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

GRANTOR:

TALLWOODS, LLC, a Washington limited liability company


By: Adam Sheldon
Its: Manager

1/29/26
Date

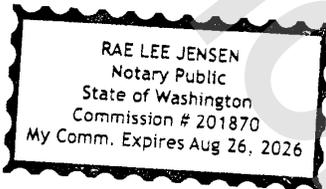
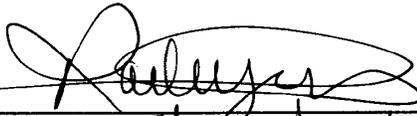

By: Yuliya Baran Sheldon
Its: Manager

1/29/26
Date

STATE OF Washington
COUNTY OF King) ss.

I certify that I know or have satisfactory evidence that Adam Sheldon and Yuliya Baran are the persons who appeared before me, and said persons acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Managers of TALLWOODS, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 1/29/2026



Notary Public for Edmonds, WA
My Commission expires: 8.26.2026

Exhibit "A"
Legal Description

UNOFFICIAL DOCUMENT

EXHIBIT "A"
LEGAL DESCRIPTION

Order No.: 620060771

For APN/Parcel ID(s): P72182 / 4077-133-001-0008, P118421 / 340405-0-021-0200 and P118422 / 340405-0-021-0300

Parcel A:

Lot 1, Block 133, "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 11, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

Parcel B:

That portion of the Northwest 1/4 of Section 5, Township 34 North, Range 4 East, W.M., being a portion of the same property described in Right of Way Deed from George D. McLean, et ux to the Seattle & Montana Railway Company filed for record November 1, 1892 in Volume 25 of Deeds, page 149, under Auditor's File No. 10578, described as follows, to-wit:

Beginning at the Northeast corner of Lot 1, Block 133, "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 11, records of Skagit County, Washington;
thence along the Easterly line of said Block 133, South 06°52'34" East, 204.91 feet to a chain link fence;
thence along said fence and its Easterly extension South 88°30'10" East, 134.99 feet;
thence North 6°52'34" West, 224.57 feet;
thence South 83°30'10" West, 133.55 feet to the point of beginning.

Situate in the County of Skagit, State of Washington

Parcel C:

That portion of the Northwest 1/4 of Section 5, Township 34 North, Range 4 East, W.M., being a portion of the same property described in Right of Way Deed from George D. McLean, et ux to the Seattle & Montana Railway Company filed for record November 1, 1892 in Volume 25 of Deeds, page 149, under Auditor's File No. 10578, described as follows, to-wit:

Beginning at the Southeast corner of Lot 3, Block 134, "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.," as per plat recorded in Volume 3 of Plats, page 11, records of Skagit County, Washington;
thence along the Easterly line of said Block 134, North 6°52'34" West, 175.0 feet to the Southwesterly corner of that certain parcel of land described in deed dated March 16, 2001 from the Burlington

EXHIBIT "A"
LEGAL DESCRIPTION
(continued)

Northern and Santa Fe Railway Company to Thomas K. Stuebaker, recorded in the office of the Skagit County, Washington Auditor, March 22, 2001, as Auditor's File No. 200103220083;
thence North 83°07'26" East, along the Southerly boundary of said parcel described in deed dated March 16, 2001, a distance of 133.55 feet;
thence South 6°52'34" East, 175.0 feet;
thence South 83°07'25" West, 133.55 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.