

This instrument prepared by
and return recorded instrument to:
Benjamin A. Swift, Esq.
Swift Law Office
1477 W. Fairbanks Ave, Ste 200
Winter Park, Florida 32789
File 70.56

The space above is reserved for recording.

Parcel Nos. P53717, 3743-000-003-0003
Abbreviated Legal: S 1/2 Lot 2, All 3, William C. Moore's Add. To Mt. Vernon

ASSIGNMENT OF LESSOR'S INTEREST IN RENTS AND LEASES

FOR VALUE RECEIVED, the undersigned, **DAVID BRENNAN**, whose principal address is 654 Broadway St S, Stillwater, Minnesota 55082 (hereinafter referred to as "**Assignor**"), does hereby assign to **SOUTHSTATE BANK, N.A.**, whose principal address is **1951 8th Street NW, Winter Haven, Florida 33881** (hereinafter referred to as "**Assignee**"), its entire position as lessor with respect to all leases or rental arrangements executed or delivered, both oral and written, now existing or hereafter made or existing (hereinafter collectively referred to as the "**Leases**") with respect to the following premises (the "**Premises**"):

SEE EXHIBIT "A" ATTACHED HERETO,

together with all rents (or payments in lieu of rents) payable under said Leases.

Assignor does hereby empower Assignee, its agents or attorneys, to collect, sue for, settle, compromise and give acquittal for all of the rents that may become due under said Leases and avail itself of and pursue all remedies for the enforcement of said Leases and Assignor's rights in and under said Leases as Assignor might have pursued but for this Assignment. Upon written request of Assignee, Assignor shall furnish copies of the signed Leases to Assignee. Assignor has not heretofore assigned or pledged the same or any interest therein. Assignor waives any rights of setoff against the lessee.

Assignor agrees:

- (a) not to collect any of the rent, income and profits arising or accruing under said Leases for more than two (2) months in advance of the time when the same become due under the terms thereof;
- (b) not to discount any future accruing rents;
- (c) not to execute any other assignments of said Leases or any interest therein or any of the rents thereunder;
- (d) to perform all of Assignor's covenants and agreements as lessor under said Leases and not to suffer or permit to occur any releases of liability of the lessees, or any rights to the lessees to withhold payment of rent;

(e) that notwithstanding any variation of the terms of the Mortgage and Security Agreement or any extension of time for payment thereunder or any release of part or parts of the lands conveyed thereunder, the Leases and benefits hereby assigned shall continue as additional security in accordance with the terms hereof; and

(f) not to sell, transfer, assign or remove any personal property now or hereafter located on the above-described premises, unless such action results in substitution or replacement with similar items, owned by Assignor and not otherwise encumbered, of equal value, without the prior written consent of Assignee.

This Assignment is given as additional security for the payment of the US Small Business Administration Promissory Note of Assignor of even date herewith in the sum of **TWO MILLION THREE HUNDRED EIGHTY FIVE THOUSAND AND NO/100 DOLLARS (\$2,385,000.00)** (the "**Loan**") and all other sums secured by the Mortgage and Security Agreement of even date herewith from Assignor to Assignee, as mortgagee, including future advances (the "**Mortgage**"), and all other documents executed in connection with the Loan (the "**Loan Documents**"), conveying premises of which those demised in said Leases form all or part. The security of this Assignment is and shall be primary and on a parity with the real estate conveyed by said Mortgage and not secondary. All amounts collected hereunder, after deducting the expenses of collection, shall be applied on account for the indebtedness secured by said Mortgage or in such other manner as may be provided for in the Mortgage, or in any general assignment of rents relating to said premises. Nothing herein contained shall be construed as constituting Assignee as trustee or mortgagee in possession. In the event said Mortgage is fully paid and satisfied, canceled and released, then the releasing of said Mortgage shall constitute a satisfaction, cancellation and release hereof.

Upon issuance of a deed or deeds pursuant to foreclosure of the Mortgage, all right, title, and interest of Assignor in and to said Leases shall, by virtue of this instrument, thereupon vest such deed or deeds without any further act or assignment by Assignor. Assignor hereby irrevocably appoints Assignee and its successors and assigns as its agent and attorney-in-fact to execute all instruments of assignment or further assurance in favor of such grantee or grantees in such deed or deeds, as may be necessary or desirable for such purpose. But nothing contained herein shall prevent Assignee from terminating any subordinate lease through such foreclosure.

In the exercise of the powers herein granted Assignee, no liability shall be asserted or enforced against Assignee, all such liability being hereby expressly waived and released by Assignor. Assignee shall not be obligated to perform or discharge any obligation, duty or liability under said Leases, or under or by reason of this Assignment, and Assignor shall and does hereby agree to indemnify Assignee for and to hold it harmless of and from any and all liability, loss or damage which it may or might incur under said Leases or under or by reason of this Assignment and of and from any and all claims and demand whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said Leases. Should Assignee incur any such liability, loss or damages under said Leases or under or by reason of this Assignment, or in the defense of any such claims or demand, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured hereby, and Assignor shall reimburse Assignee therefor immediately upon demand. Such attorneys' fees and costs shall include, but not be limited to, fees and costs incurred in any phase of litigation, including, but not limited to, all trials, proceedings and appeals, and all appearances in and connected with any bankruptcy proceedings or creditors' reorganizational proceedings.

Although it is the intention of the parties that this instrument shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that Assignee shall not exercise any of the rights or powers herein conferred upon it until a Default or Default Condition (as such terms are defined in the Loan Documents) shall occur under the terms and provisions of this Assignment or any of the other Loan Documents, but upon the occurrence of any such Default or Default Condition, Assignee shall be entitled, upon notice to the lessees, to all rents and other amounts then due

under the Leases and thereafter accruing, and this Assignment shall constitute a direction to and full authority to the lessees to pay all such amounts to Assignee without proof of the default relied upon. The lessees are hereby irrevocably authorized to rely upon and comply with (and shall be fully protected in so doing) any notice or demand by Assignee for the payment to Assignee of any rental or other sums which may be or thereafter become due under the Leases and shall have no right or duty to inquire as to whether any default under the Mortgage, this Assignment or any other Loan Documents has actually occurred or is then existing.

This Assignment is intended to be supplementary to and not in substitution for or in derogation of any assignment of rents contained in the Mortgage or in any other Loan Documents. In the event Assignee grants one or more partial releases of the lien of the Mortgage from portions of the Premises, upon recording of such partial release the same shall constitute a partial release of this Assignment as to the property described in such release.

This Assignment shall include any extensions and renewals of the Leases and any reference hereunto to the said Leases shall be construed as including any such extensions and renewals.

This instrument shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto. The words "Assignor," "Assignee" and "lessee," wherever used herein shall include the persons named herein and designated as such and their respective successors and assigns, and all words and phrases shall be taken to include the singular or plural and masculine, feminine or neuter gender, as may fit the case.

The Loan secured by this lien was made under a United States Small Business Administration (SBA) nationwide program which uses tax dollars to assist small business owners. If the United States is seeking to enforce this document, then under SBA regulations:

(i) When SBA is the holder of the Note, this document and all documents evidencing or securing this Loan will be construed in accordance with federal law.

(ii) Bank or SBA may use local or state procedures for purposes such as filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using these procedures, SBA does not waive any federal immunity from local or state control, penalty, tax or liability. No Assignor may claim or assert against SBA any local or state law to deny any obligation of Assignor, or defeat any claim of SBA with respect to this Loan.

(iii) Any clause in this document requiring arbitration is not enforceable when SBA is the holder of the note secured by this instrument.

(signatures on following page)

[Signature Page to Assignment of Lessor's Interest in Rents and Leases]

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered on December 5, 2022.

WITNESSES:

"ASSIGNOR"

Paul W. Rutzen

Witness #1 Signature

Paul W. Rutzen

Witness #1 Printed Name

Erik Bang

Witness #2 Signature

Erik Bang

Witness #2 Printed Name

David Brennan

DAVID BRENNAN

{Acknowledgment}

STATE OF MINNESOTA

COUNTY OF WASHINGTON

The foregoing instrument was acknowledged on December 5, 2022 by DAVID BRENNAN before me by means of (check one):

- Physical Presence
- Online Notarization

Type of Identification Produced (check one):

- Driver's License
- N/A Personally Known
- Other _____

Paul W. Rutzen

NOTARY PUBLIC
{NOTARY SEAL}

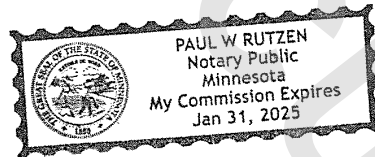


Exhibit "A"

Legal Description

THE SOUTH ½ OF LOT 2 AND ALL OF LOT 3. "WILLIAM C. MOORE'S ADDITION TO MOUNT VERNON," AS PER PLAT RECORDED IN VOLUME 5 OF PLATS PAGE 28, RECORDS OF SKAGIT COUNTY, WASHINGTON.

Commonly known as: 1412 S 6th Street, Mount Vernon, Washington 98273

Parcel Identification Number: P53717