

Recording requested by,
and after recording, return to:

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**LEASEHOLD DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT, AND FIXTURE FILING**

Grantor (Trustor): COASTAL FARM & HOME SUPPLY LLC, an Oregon
limited liability corporation

Grantee (Trustee): FIDELITY NATIONAL TITLE COMPANY OF
WASHINGTON

Grantee (Beneficiary): TCW ASSET MANAGEMENT COMPANY LLC, a
Delaware limited liability company, as Agent

Abbreviated Legal Description: Northeast quarter of the Northeast quarter and the Southeast quarter of the
Northeast quarter of Section 18, Township 34 North, Range 4 East

**Assessor's Tax Parcel ID
Number(s):** P107491

**Reference Numbers of
Documents Released
or Assigned:** N/A
38991920

Dated: May 31, 2023

Location: 2021 Market Street, Mt. Vernon, Washington

County: Skagit County

THIS LEASEHOLD DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING dated as of May 21, 2023 (this “**Deed of Trust**”), by COASTAL FARM & HOME SUPPLY LLC, an Oregon limited liability company, having an office at 1355 Goldfish Farm Road SE, Albany, Oregon 97322 (“**Grantor**”), to FIDELITY NATIONAL TITLE COMPANY OF WASHINGTON, as trustee, having an address at 3500 188th Street SW, Suite 300, Lynnwood, Washington 98037 (“**Trustee**”), for the benefit of TCW ASSET MANAGEMENT COMPANY LLC, a Delaware limited liability company, having an office at 200 Clarendon Street, 51st Floor, Boston, Massachusetts 02116, as Agent for the benefit of Lenders (as hereinafter defined) (“**Beneficiary**”).

WITNESSETH THAT:

Reference is made to that certain Financing Agreement dated as of December 23, 2021, as amended by that certain Amendment No. 1 to Financing Agreement, dated as of February 23, 2023 (as amended, supplemented or otherwise modified from time to time, the “**Credit Agreement**”), by and among, Vaqueros IntermediateCo LLC, a Delaware limited liability company (“**Parent**”), as “**Borrower**” prior to the consummation of the Coastal Acquisition (as defined therein), and, immediately upon the consummation of the Coastal Acquisition, Grantor (together with, prior to the consummation of the Coastal Acquisition, Parent, and each other Person that executes a joinder agreement and becomes “**Borrower**” thereunder, each a “**Borrower**” and, collectively the “**Borrowers**”), each subsidiary of Parent listed as a “**Guarantor**” on the signature pages thereto (together with, immediately upon the consummation of the Coastal Acquisition, Parent, and each other Person that executes a joinder agreement and becomes a “**Guarantor**” thereunder), the lenders from time to time party thereto (each a “**Lender**” and collectively, “**Lenders**”), and Beneficiary. Pursuant to the Credit Agreement, Lenders agreed to make available to Borrower certain loans and other financial accommodations which loans and financial accommodations are in the form of term loans in the aggregate principal amount not to exceed One Hundred Thirty-Five Million Dollars (\$135,000,000) (the “**Loan**”). All capitalized terms not otherwise defined herein shall have the meaning set forth in the Credit Agreement.

Pursuant to that certain Single Tenant Lease – Triple Net, dated as of November 22, 2021, by and between Coastal Farm Real Estate, Inc. (“**Landlord**”), as landlord, and Grantor, as lessee, for the premises located at 2021 Market Street, Mt. Vernon, Washington, as amended by that certain First Amendment to Lease dated March 22, 2022 (and as may be further amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “**Lease**”), Grantor is the holder of a leasehold interest in the Premises (as hereinafter defined), which leasehold interest forms a portion of the Mortgaged Property (as hereinafter defined).

In accordance with the terms of the Credit Agreement, Grantor is executing and delivering this Deed of Trust as collateral security for the Loan and certain other Obligations more fully set forth herein and therein.

Granting Clauses

NOW, THEREFORE, IN CONSIDERATION OF the foregoing and in order to secure the due and punctual payment and performance of the Obligations in favor of Beneficiary for the

benefit of Lenders, Grantor hereby **GRANTS, BARGAINS, SELLS and CONVEYS** to Trustee, its successors and assigns, **TO HAVE AND TO HOLD, IN TRUST, WITH POWER OF SALE**, for the benefit of Beneficiary, its successors and assigns, a lien and a security interest in all of Grantor's right, title and interest in and to all of the following described property ("**Mortgaged Property**") whether now owned, leased, held or hereafter acquired:

(1) the leasehold interests held by Grantor pursuant to the Lease in the lands more particularly described on Exhibit A hereto ("**Land**"), together with, to the extent granted to Grantor under the Lease and subject to the express provisions of the Lease, all rights appurtenant thereto, including any easements over certain other adjoining land granted by any easement agreements, covenant or restrictive agreements and all air rights, mineral rights, water rights, oil and gas rights and development rights, if any, relating thereto, and also together with, to the extent granted to Grantor under the Lease, all of the other easements, rights, privileges, interests, hereditaments and appurtenances thereunto belonging or in any way appertaining and all of the estate, right, title, interest, claim or demand whatsoever of Grantor therein and in the streets and ways adjacent thereto, either in law or in equity, in possession or expectancy, now or hereafter acquired (collectively, "**Premises**");

(2) all of Grantor's right, title and interest in all buildings, improvements, structures, paving, parking areas, walkways and landscaping now or hereafter erected or located upon the Land, and all fixtures of every kind and type affixed to the Premises or attached to or forming part of any structures, buildings or improvements and replacements thereof now or hereafter erected or located upon the Land ("**Improvements**");

(3) all of Grantor's right, title and interest in any apparatus, movable appliances, building materials, equipment, fittings, furnishings, furniture, machinery and other articles of tangible personal property of every kind and nature, and replacements thereof, now or at any time hereafter placed upon or used in any way in connection with the use, enjoyment, occupancy or operation of the Improvements or the Premises, including all of Grantor's books and records relating thereto and including all pumps, tanks, goods, machinery, tools, equipment, lifts (including fire sprinklers and alarm systems, fire prevention or control systems, cleaning rigs, air conditioning, heating, boilers, refrigerating, electronic monitoring, water, loading, unloading, lighting, power, sanitation, waste removal, entertainment, communications, computers, recreational, window or structural, maintenance, truck or car repair and all other equipment of every kind), restaurant, bar and all other indoor or outdoor furniture (including tables, chairs, booths, serving stands, planters, desks, sofas, racks, shelves, lockers and cabinets), bar equipment, glasses, cutlery, uniforms, linens, memorabilia and other decorative items, furnishings, appliances, supplies, inventory, rugs, carpets and other floor coverings, draperies, drapery rods and brackets, awnings, venetian blinds, partitions, chandeliers and other lighting fixtures, freezers, refrigerators, walk-in coolers, signs (indoor and outdoor), computer systems, cash registers and inventory control systems, and all other apparatus, equipment, furniture, furnishings, and articles used in connection with the use or operation of the Improvements or the Premises, it being understood that the enumeration of any specific articles of property shall in no way result in or be held to exclude any

items of property not specifically mentioned (the property referred to in this subparagraph (3), the **"Personal Property"**);

(4) all general intangibles owned by Grantor and relating to design, development, operation, management and use of the Premises or the Improvements, all certificates of occupancy, zoning variances, building, use or other permits, approvals, authorizations and consents obtained from and all materials prepared for filing or filed with any governmental agency in connection with the development, use, operation or management of the Premises and Improvements, all construction, service, engineering, consulting, leasing, architectural and other similar contracts concerning the design, construction, management, operation, occupancy and/or use of the Premises and Improvements, all architectural drawings, plans, specifications, soil tests, feasibility studies, appraisals, environmental studies, engineering reports and similar materials relating to any portion of or all of the Premises and Improvements, and all payment and performance bonds or warranties or guarantees relating to the Premises or the Improvements, all to the extent assignable (**"Permits, Plans and Warranties"**);

(5) all now or hereafter existing leases or licenses (under which Grantor is landlord or licensor) and subleases (under which Grantor is sublandlord), concession, management, mineral or other agreements of a similar kind that permit the use or occupancy of the Premises or the Improvements for any purpose in return for any payment, or the extraction or taking of any gas, oil, water or other minerals from the Premises in return for payment of any fee, rent or royalty (collectively, **"Subleases"**), and all agreements or contracts for the sale or other disposition of all or any part of the Premises or the Improvements, now or hereafter entered into by Grantor, together with all charges, fees, income, issues, profits, receipts, rents, revenues or royalties payable thereunder (**"Rents"**);

(6) all of Grantor's right, title and interest in any real estate tax refunds and any proceeds of the conversion, voluntary or involuntary, of any of the Mortgaged Property into cash or liquidated claims (**"Proceeds"**), including Proceeds of insurance maintained by Grantor and condemnation awards, any awards that may become due by reason of the taking by eminent domain or any transfer in lieu thereof of the whole or any part of the Premises or Improvements or any rights appurtenant thereto, and any awards for change of grade of streets, together with any and all moneys now or hereafter on deposit for the payment of real estate taxes, assessments or common area charges levied against the Mortgaged Property, unearned premiums on policies of fire and other insurance maintained by Grantor covering any interest in the Mortgaged Property or required by the Credit Agreement; and

(7) all extensions, improvements, betterments, renewals, substitutes and replacements of and all additions and appurtenances to, the Premises, the Improvements, the Personal Property, the Permits, Plans and Warranties and the Subleases, hereinafter acquired by or released to Grantor or constructed, assembled or placed by Grantor on the Premises or the Improvements, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case, without any further mortgage,

deed of trust, conveyance, assignment or other act by Grantor, all of which shall become subject to the lien of this Deed of Trust as fully and completely, and with the same effect, as though now owned by Grantor and specifically described herein.

TO HAVE AND TO HOLD the Mortgaged Property unto Trustee, its successors and assigns, in trust, WITH POWER OF SALE, for the benefit of Beneficiary, its successors and assigns, for the ratable benefit of Lenders, forever, subject only to those Permitted Liens and to satisfaction and release as provided in Section 3.04 hereof. Notwithstanding the foregoing or anything herein to the contrary, the Mortgaged Property (including for the avoidance of doubt, the Personal Property) shall not include the "Excluded Property" as defined in the Security Agreement.

ARTICLE I

REPRESENTATIONS, WARRANTIES AND COVENANTS OF GRANTOR

Grantor agrees, covenants, represents and/or warrants as follows:

SECTION 1.01. Title, Deed of Trust Lien.

(a) Grantor has a good and valid leasehold interest in and to the Premises and the Improvements (to the extent owned by Landlord), subject only to Permitted Liens.

(b) The execution and delivery of this Deed of Trust is within Grantor's limited liability company powers and has been duly authorized by all necessary company action. This Deed of Trust has been duly executed and delivered by Grantor and constitutes a legal, valid and binding obligation of Grantor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other Requirements of Law affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(c) Except with respect to the Mortgaged Property subject to any Permitted Liens, this Deed of Trust creates valid, enforceable first priority liens and security interests against the Mortgaged Property. Grantor shall preserve and protect the lien and security interest status of this Deed of Trust and the other security instruments. If any lien or security interest other than any Permitted Liens is asserted against the Mortgaged Property, Grantor shall promptly, and at its expense, (i) give Beneficiary a detailed written notice of such lien or security interest (including origin, amount and other terms), and (ii) pay the underlying claim in full, take such other action so as to cause it to be released, or contest the same and provide a bond or other security satisfactory to Beneficiary.

(d) The execution, delivery and recordation of this Deed of Trust to Grantor's actual knowledge (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect or, if not made, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, and except for filings necessary to perfect the lien of this Deed of Trust, (ii) will not violate any applicable Requirements of Law or the articles of incorporation, by-laws, operating agreement or other organizational documents of Grantor or any

order of any Governmental Authority, (iii) will not violate or result in a default under any Material Contract binding upon Grantor or its assets, or give rise to a right thereunder to require any payment to be made by Grantor, which violation or default, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect, and (iv) will not result in the creation or imposition of any Lien on any asset of Grantor, except the lien of this Deed of Trust.

(e) Grantor will forever warrant and defend its title to the Mortgaged Property, the rights of Beneficiary therein under this Deed of Trust and the validity and priority of the lien of this Deed of Trust thereon against the claims of all persons and parties except those having rights under any Permitted Liens to the extent of those rights.

(f) If any action or proceeding is commenced to which action or proceeding Beneficiary and/or Trustee is made a party or in which it becomes necessary for Beneficiary and/or Trustee to defend or uphold the lien of this Deed of Trust, including any extensions, renewals, amendments or modifications thereof, Grantor shall, on demand, reimburse Beneficiary and/or Trustee, as applicable, for all reasonable expenses (including reasonable attorneys' fees) incurred by Beneficiary and/or Trustee, as applicable, in any such action or proceeding and all such expenses shall be secured by this Deed of Trust. In any action or proceeding to foreclose this Deed of Trust or to recover or collect the Obligations, the provisions of Requirements of Law relating to the recovering of costs, disbursements and allowances shall prevail unaffected by this covenant.

SECTION 1.02. Credit Agreement. This Deed of Trust is given pursuant to the Credit Agreement. Grantor expressly covenants and agrees to pay when due, and to timely perform, and to cause any other parties, as applicable, to pay when due and to timely perform, the Obligations in accordance with the terms of the Credit Agreement.

SECTION 1.03. Payment of Taxes, and Other Obligations.

(a) Grantor will pay and discharge from time to time prior to the time when the same shall become delinquent, and before any interest or penalty accrues thereon or attaches thereto, all Taxes and other obligations with respect to the Mortgaged Property or any part thereof or upon the Rents from the Mortgaged Property or arising in respect of the occupancy, use or possession thereof in accordance with, and to the extent required by, the Lease and the Credit Agreement.

(b) In the event of the passage of any applicable Requirements of Law subsequent to the date hereof (i) deducting from the value of real property for the purpose of taxation any lien or encumbrance thereon or in any manner changing or modifying an applicable Requirements of Law now in force governing the taxation of this Deed of Trust or debts secured by mortgages or deeds of trust (other than laws governing income, franchise and similar taxes generally) or the manner of collecting taxes thereon and (ii) imposing a tax to be paid by Beneficiary, either directly or indirectly, on this Deed of Trust or any of the other Loan Documents, or requiring an amount of taxes to be withheld or deducted therefrom, Grantor will promptly (x) notify Beneficiary of such event, (y) enter into such further instruments as may be reasonably necessary or desirable to obligate Grantor to make any additional payments necessary to put Beneficiary and Lenders in the same financial position they would have been if such

applicable Requirements of Law had not been passed and (z) make such additional payments to Beneficiary for the benefit of Lenders.

SECTION 1.04. Maintenance of Mortgaged Property. Grantor will maintain the Improvements and the Personal Property in the manner required by the Credit Agreement.

SECTION 1.05. Insurance. Grantor will obtain and maintain insurance as required by Section 7.01(h) of the Credit Agreement.

SECTION 1.06. Casualty, Condemnation/Eminent Domain; Application of Proceeds and Awards. Grantor shall give Beneficiary prompt written notice of any event giving rise to any Net Cash Proceeds with respect to the Mortgaged Property in accordance with Section 2.05(c) of the Credit Agreement. Any Net Cash Proceeds received by or on behalf of Grantor in respect of the Mortgaged Property shall be applied in accordance with the Credit Agreement.

SECTION 1.07. Assignment of Leases and Rents.

(a) Subject to the provisions of Section 5, Grantor hereby irrevocably and absolutely grants, transfers and assigns all of its right title and interest in all Subleases, together with any and all extensions and renewals thereof for purposes of securing and discharging the performance by Grantor of the Obligations. Grantor has not assigned or executed any assignment of, and will not assign or execute any assignment of, any Subleases or the Rents payable thereunder to anyone other than Beneficiary and Working Capital Agent.

(b) All Subleases shall be subordinate to the lien of this Deed of Trust. Grantor will not enter into, modify or amend any Sublease if such Sublease, as entered into, modified or amended, will not be subordinate to the lien of this Deed of Trust.

(c) Subject to Section 1.07(d) below, Grantor has assigned and transferred to Beneficiary all of Grantor's right, title and interest in and to the Rents now or hereafter arising from each Sublease heretofore or hereafter made or agreed to by Grantor, it being intended that this assignment establish, subject to Section 1.07(d) below, an absolute transfer and assignment of all Rents and all Subleases to Beneficiary and not merely to grant a security interest therein. Subject to the terms of the Credit Agreement and Section 1.07(d) below, Beneficiary may in Grantor's name and stead (with or without first taking possession of any of the Mortgaged Property personally or by receiver as provided herein) operate the Mortgaged Property and rent, lease or let all or any portion of any of the Mortgaged Property to any party or parties at such rental and upon such terms as Beneficiary shall, in its sole discretion, determine, and may collect and have the benefit of all of said Rents arising from or accruing at any time thereafter or that may thereafter become due under any Sublease.

(d) So long as an Event of Default shall not have occurred and be continuing, Beneficiary will not exercise any of its rights under Section 1.07(c), and Grantor shall receive and collect the Rents accruing under any Sublease; but after the happening and during the continuance of any Event of Default, Beneficiary may, at its option, receive and collect all Rents and enter upon the Premises and Improvements through its officers, agents, employees or attorneys for such purpose and for the operation and maintenance thereof. Grantor hereby

irrevocably authorizes and directs each tenant, if any, and each successor, if any, to the interest of any tenant under any Sublease, respectively, to rely upon any notice of a claimed Event of Default sent by Beneficiary to any such tenant or any of such tenant's successors in interest, and thereafter to pay the Rents to Beneficiary without any obligation or right to inquire as to whether an Event of Default actually exists and even if some notice to the contrary is received from Grantor, who shall have no right or claim against any such tenant or successor in interest for any such Rents so paid to Beneficiary. Each tenant or any of such tenant's successors in interest from whom Beneficiary or any officer, agent, attorney or employee of Beneficiary shall have collected any Rents, shall be authorized to pay the Rents to Grantor only after such tenant or any of their successors in interest shall have received written notice from Beneficiary that the Event of Default is no longer continuing, unless and until a further notice of an Event of Default is given by Beneficiary to such tenant or any of its successors in interest.

(e) Beneficiary will not become a Beneficiary in possession so long as it does not enter or take actual possession of the Mortgaged Property. In addition, Beneficiary shall not be responsible or liable for performing any of the obligations of the landlord under any Sublease, for any waste by any tenant, or others, for any dangerous or defective conditions of any of the Mortgaged Property, for negligence in the management, upkeep, repair or control of any of the Mortgaged Property or any other act or omission by any other person.

(f) Grantor shall furnish to Beneficiary, within fifteen (15) days after a request by Beneficiary to do so, a written statement containing the names of all tenants, subtenants and concessionaires of the Premises or Improvements, the terms of any Sublease, the space occupied and the rentals and/or other amounts payable thereunder.

SECTION 1.08. Restrictions on Transfers and Encumbrances. Grantor shall not directly or indirectly sell, convey, alienate, assign, lease, sublease, license, mortgage, pledge, encumber or otherwise transfer, create, consent to or suffer the creation of any lien, charge or other form of encumbrance upon any of Grantor's interest in or any part of the Mortgaged Property (other than Permitted Liens), or be divested of its title to the Mortgaged Property or any interest therein in any manner or way, whether voluntarily or involuntarily (other than resulting from a condemnation), or engage in any common, cooperative, joint, time-sharing or other congregate ownership of all or part thereof, except in each case in accordance with and to the extent permitted by the Credit Agreement and Grantor may, in the ordinary course of business and in accordance with reasonable commercial standards, (i) enter into easement or covenant agreements that relate to and/or benefit the operation of the Mortgaged Property and that do not materially and adversely affect the value, use or operation of the Mortgaged Property, and (ii) sell Personal Property to the extent permitted by the Credit Agreement or any other Loan Document. If any of the foregoing transfers or encumbrances results in a prepayment event, any Net Cash Proceeds received by or on behalf of Grantor in respect thereof shall constitute trust funds to be held by Grantor for the benefit of Beneficiary.

SECTION 1.09. Security Agreement. This Deed of Trust is both a deed of trust of real property and a grant of a security interest in personal property, and shall constitute and serve as a "Security Agreement" within the meaning of the Uniform Commercial Code as adopted in the state wherein the Premises are located ("UCC"). Grantor has hereby granted unto Beneficiary a security interest in and to all the Mortgaged Property described in this Deed of

Trust that is not real property, and simultaneously with the recording of this Deed of Trust, has filed or will file UCC financing statements, and will file continuation statements prior to the lapse thereof, at the appropriate offices in the jurisdiction of formation of Grantor to perfect the security interest granted by this Deed of Trust in all the Mortgaged Property that is not real property. Grantor hereby appoints Beneficiary as its true and lawful attorney-in-fact and agent, for Grantor and in its name, place and stead, in any and all capacities, to execute any document and/or file the same (including any necessary UCC continuation statement) in the appropriate offices (to the extent it may lawfully do so), and to perform each and every act and thing reasonably requisite and necessary to be done to perfect the security interest contemplated by the preceding sentence. Beneficiary shall have all rights with respect to the part of the Mortgaged Property that is the subject of a security interest afforded by the UCC in addition to, but not in limitation of, the other rights afforded Beneficiary hereunder and under any guarantee(s) and other agreements.

SECTION 1.10. Filing and Recording. Grantor hereby authorizes Beneficiary to cause this Deed of Trust, the UCC financing statements referred to in Section 1.09 hereof, any other security instrument creating a security interest in or evidencing the lien hereof upon the Mortgaged Property and each UCC continuation statement and instrument of further assurance to be filed, registered or recorded and, if necessary, as determined by Beneficiary in its sole and absolute discretion, refiled, rerecorded and reregistered, in such manner and in such places as may be required by any present or future Requirements of Law in order to publish notice of and fully to perfect the lien hereof upon, and the security interest of Beneficiary in, the Mortgaged Property until this Deed of Trust is terminated and released in full in accordance with Section 3.04 hereof. Grantor hereby appoints Beneficiary as its true and lawful attorney-in-fact and agent, for Grantor and in its name, place and stead, in any and all capacities, to execute any document and to file the same in the appropriate offices (to the extent it may lawfully do so), and to perform each and every act and thing reasonably requisite and necessary to be done to perfect the security interest contemplated by the preceding sentence. Grantor will pay all filing, registration and recording fees, all federal, state, county and municipal recording, documentary or intangible taxes and other taxes, duties, imposts, assessments and charges, and all reasonable expenses incidental to or arising out of or in connection with the execution, delivery and recording of this Deed of Trust, UCC continuation statements, any deed of trust supplemental hereto, any security instrument with respect to the Personal Property, Permits, Plans and Warranties and Proceeds or any instrument of further assurance.

SECTION 1.11. Further Assurances. Upon demand by Beneficiary or Trustee, Grantor will, at the cost of Grantor and without expense to Beneficiary or Trustee, do, execute, acknowledge and deliver all such further reasonable acts, deeds, conveyances, deeds of trust, mortgages, assignments, notices of assignment, transfers and assurances as Beneficiary shall from time to time reasonably require, to the extent not inconsistent with the Credit Agreement, for the better assuring, conveying, assigning, transferring and confirming unto Beneficiary the property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Grantor may be or may hereafter become bound to convey or assign to Beneficiary, or for carrying out the intention or facilitating the performance of the terms of this Deed of Trust, or for filing, registering or recording this Deed of Trust, and on demand, Grantor will also execute and deliver and hereby appoints Beneficiary as its true and lawful attorney-in-fact and agent, for Grantor and in its name, place and stead, in any and all capacities, to execute and file to the

extent it may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments reasonably requested by Beneficiary to evidence more effectively the lien hereof upon the Personal Property and to perform each and every act and thing requisite and necessary to be done to accomplish the same.

SECTION 1.12. Additions to Mortgaged Property. All right, title and interest of Grantor in and to all extensions, improvements, betterments, renewals, substitutions and replacements of, and all additions and appurtenances to, the Mortgaged Property hereafter acquired by or released to Grantor or constructed, assembled or placed by Grantor upon the Premises or the Improvements, and all conversions of the security constituted thereby, immediately upon such acquisition, release, construction, assembling, placement or conversion, as the case may be, and in each such case without any further mortgage, deed of trust, conveyance, assignment or other act by Grantor, shall become subject to the lien and security interest of this Deed of Trust as fully and completely and with the same effect as though now owned by Grantor and specifically described in the grant of the Mortgaged Property above, but at any and all times Grantor will execute and deliver to Beneficiary any and all such further assurances, deeds of trust, conveyances or assignments thereof as Beneficiary may reasonably require for the purpose of expressly and specifically subjecting the same to the lien and security interest of this Deed of Trust.

SECTION 1.13. No Claims Against Beneficiary. Nothing contained in this Deed of Trust shall constitute any consent or request by Beneficiary, express or implied, for the 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, nor as giving Grantor any right, power or authority to contract for or permit the performance of any labor or services or the furnishing of any materials or other property in such fashion as would permit the making of any claim against Beneficiary in respect thereof.

SECTION 1.14. Fixture Filing.

(a) Certain portions of the Mortgaged Property are or will become "fixtures" (as that term is defined in the UCC) on the Land, and this Deed of Trust, upon being filed for record in the real estate records of the county wherein such fixtures are situated, shall operate also as a financing statement filed as a fixture filing in accordance with the applicable provisions of said UCC upon such portions of the Mortgaged Property that are or become fixtures.

(b) The real property to which the fixtures relate is described in Exhibit A attached hereto. The record owner of the real property described in Exhibit A attached hereto is Coastal Farm Real Estate, Inc., an Oregon corporation. The name, type of organization and jurisdiction of organization of the debtor for purposes of this financing statement are the name, type of organization and jurisdiction of organization of Grantor set forth in the first paragraph of this Deed of Trust, and the name of the secured party for purposes of this financing statement is the name of Beneficiary set forth in the first paragraph of this Deed of Trust. The mailing address of Grantor/debtor is the address of Grantor set forth in the first paragraph of this Deed of Trust. The mailing address of Beneficiary/secured party from which information concerning the security interest hereunder may be obtained is the address of Beneficiary set forth in the first

paragraph of this Deed of Trust. The name provided as the name of the debtor is the name of an organization. Grantor's organizational identification number is 359183-82.

SECTION 1.15. Inspection. Grantor shall permit Beneficiary and its agents, representatives and employees to (i) inspect the Premises and Improvements and all books and records of Grantor located thereon, and (ii) if Beneficiary has a reasonable belief that there has been a release of hazardous or toxic substances at the Premises, to conduct such environmental and engineering studies as Beneficiary may reasonably require, in the manner and subject to the restrictions set forth in Section 7.01 of the Credit Agreement.

SECTION 1.16. Intentionally Omitted.

SECTION 1.17. Future Advances. This Deed of Trust shall secure all Obligations, including, without limitation, future advances whenever hereafter made in accordance with the Credit Agreement or the other Loan Documents, and shall secure not only Obligations with respect to presently existing indebtedness under the Credit Agreement or the other Loan Documents, but also any and all other indebtedness which may hereafter be owing to the Beneficiary or Lenders under the Credit Agreement or the other Loan Documents, however incurred, whether interest, discount or otherwise, and whether the same shall be deferred, accrued or capitalized, including future advances and re-advances, pursuant to the Credit Agreement or the other Loan Documents, whether such advances are obligatory or to be made at the option of Beneficiary or Lenders, or otherwise, and any extensions, refinancings, modifications or renewals of all such Obligations whether or not Grantor executes any extension agreement or renewal instrument and, in each case, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust, all of said indebtedness being equally secured hereby and having the same priority as any amounts advanced as of the date of this Deed of Trust.

ARTICLE II

DEFAULTS AND REMEDIES

SECTION 2.01. Events of Default. Any Event of Default under the Credit Agreement shall constitute an Event of Default under this Deed of Trust.

SECTION 2.02. Demand for Payment. If an Event of Default shall occur and be continuing, then, upon written demand of Beneficiary, Grantor will pay to Beneficiary all amounts due hereunder, in accordance with and under the Credit Agreement and any other Loan Document, and such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable attorneys' fees, disbursements and expenses incurred by Beneficiary, in accordance with the Credit Agreement, and Beneficiary shall be entitled and empowered to institute an action or proceedings at law or in equity for the collection of the sums so due and unpaid, to prosecute any such action or proceedings to judgment or final decree, to enforce any such judgment or final decree against Grantor and to collect, in any manner provided by law, all moneys adjudged or decreed to be payable.

SECTION 2.03. Rights To Take Possession, Operate and Apply Revenues.

(a) If an Event of Default shall occur and be continuing, Grantor shall, upon demand of Beneficiary, forthwith surrender to Beneficiary actual possession of the Mortgaged Property and, if and to the extent not prohibited by applicable Requirements of Law or by the terms of the Lease, Beneficiary itself, or by such officers or agents as it may appoint, may then enter and take possession of all the Mortgaged Property without the appointment of a receiver or an application therefor, exclude Grantor and its agents and employees wholly therefrom, and have access to the books, papers and accounts of Grantor.

(b) If Grantor shall for any reason fail to surrender or deliver the Mortgaged Property or any part thereof after such demand by Beneficiary, Beneficiary or Trustee may to the extent not prohibited by applicable Requirements of Law, obtain a judgment or decree conferring upon Beneficiary the right to immediate possession or requiring Grantor to deliver immediate possession of the Mortgaged Property to Beneficiary, to the entry of which judgment or decree Grantor hereby specifically consents. Grantor will pay to Beneficiary, upon demand, all reasonable expenses of obtaining such judgment or decree, including reasonable compensation to Beneficiary's attorneys and agents with interest thereon at the Post-Default Rate ("**Default Rate**") to the extent such rate is imposed in accordance with the Credit Agreement; and all such expenses and compensation shall, until paid, be secured by this Deed of Trust.

(c) Upon every such entry or taking of possession, Beneficiary may, to the extent not prohibited by applicable Requirements of Law, hold, store, use, operate, manage and control the Mortgaged Property, conduct the business thereof and, from time to time, (i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon, (ii) purchase or otherwise acquire additional fixtures, personalty and other property, (iii) insure or keep the Mortgaged Property insured, (iv) manage and operate the Mortgaged Property and exercise all the rights and powers of Grantor to the same extent as Grantor could in its own name or otherwise with respect to the same, or (v) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted Beneficiary, all as may from time to time be directed or determined by Beneficiary and Grantor hereby appoints Beneficiary as its true and lawful attorney-in-fact and agent, for Grantor and in its name, place and stead, in any and all capacities, to perform any of the foregoing acts. Beneficiary may collect and receive all the Rents, issues, profits and revenues from the Mortgaged Property, including those past due as well as those accruing thereafter, and, after deducting (i) all expenses of taking, holding, managing and operating the Mortgaged Property (including compensation for the services of all persons employed for such purposes), (ii) the costs of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements, purchases and acquisitions, (iii) the costs of insurance, (iv) such taxes, assessments and other similar charges as Beneficiary may at its option pay, (v) other proper charges upon the Mortgaged Property or any part thereof and (vi) the reasonable compensation, expenses and disbursements of the attorneys and agents of Beneficiary, Beneficiary shall apply the remainder of the moneys and proceeds so received first to the payment of Beneficiary for the satisfaction of the Obligations, and second, if there is any surplus, to Grantor, subject to the entitlement of others thereto under applicable Requirements of Law.

(d) Whenever, before any sale of the Mortgaged Property under Section 2.06 hereof, all Obligations that are then due shall have been paid and all Events of Default fully cured, Beneficiary will surrender possession of the Mortgaged Property back to Grantor, its

successors or assigns. The same right of taking possession shall, however, arise again if any subsequent Event of Default shall occur and be continuing.

SECTION 2.04. Right To Cure Grantor's Failure to Perform. Should Grantor fail in the payment, performance or observance of any term, covenant or condition required by this Deed of Trust, the Credit Agreement, or any other Loan Document, Beneficiary may pay, perform or observe the same, and all payments made or costs or expenses incurred by Beneficiary in connection therewith shall be secured hereby and shall be, without demand, immediately repaid by Grantor to Beneficiary with interest thereon at the Default Rate to the extent such rate is imposed in accordance with the Credit Agreement. Beneficiary's reasonable determination of the necessity for any such actions and of the amounts to be paid shall be conclusive. Subject to the Credit Agreement, Grantor is hereby empowered to enter and to authorize others to enter upon the Premises or the Improvements or any part thereof for the purpose of performing or observing any such defaulted term, covenant or condition without having any obligation to so perform or observe and without thereby becoming liable to Grantor, to any person in possession holding under Grantor or to any other person.

SECTION 2.05. Right to a Receiver. If an Event of Default shall occur and be continuing, Beneficiary, upon application to a court of competent jurisdiction, shall be entitled as a matter of right, and Grantor hereby consents, to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the Rents. The receiver shall have all of the rights and powers permitted under the laws of the state wherein the Mortgaged Property is located. Grantor shall pay to Beneficiary upon demand all reasonable expenses, including receiver's fees, reasonable attorney's fees and disbursements, costs and agent's compensation incurred pursuant to the provisions of this Section 2.05; and all such expenses shall be secured by this Deed of Trust and shall be, without demand, immediately repaid by Grantor to Beneficiary with interest thereon at the Default Rate to the extent such rate is imposed in accordance with the Credit Agreement.

SECTION 2.06. Foreclosure and Sale.

(a) If an Event of Default shall occur and be continuing, Beneficiary may elect to sell the Mortgaged Property or any part of the Mortgaged Property by exercise of the power of foreclosure or of sale granted to Beneficiary by applicable Requirements of Law or this Deed of Trust. In such case, Beneficiary may commence a civil action to foreclose this Deed of Trust, or it may proceed and sell the Mortgaged Property to satisfy any Obligation. Beneficiary, or an officer appointed by a judgment of foreclosure to sell the Mortgaged Property, may sell all or such parts of the Mortgaged Property as may be chosen by Beneficiary at the time and place of sale fixed by it in a notice of sale, either as a whole or in separate lots, parcels or items as Beneficiary shall deem expedient, and in such order as it may determine, at public auction to the highest bidder. Trustee, at the request of Beneficiary or an officer appointed by a judgment of foreclosure to sell the Mortgaged Property may postpone any foreclosure or other sale of all or any portion of the Mortgaged Property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement or subsequently noticed sale. Subject to applicable Requirements of Law, without further notice, Trustee or an officer appointed to sell the Mortgaged Property may make such sale at the time

fixed by the last postponement, or may, in its discretion, give a new notice of sale. Any person, including Grantor or Beneficiary or any designee or affiliate thereof, may purchase at such sale.

(b) The Mortgaged Property may be sold subject to unpaid taxes and any Permitted Liens, and, after deducting all costs, fees and expenses of Beneficiary (including costs of evidence of title in connection with the sale), Beneficiary or an officer that makes any sale shall apply the proceeds of sale in the manner set forth in Section 2.08 hereof, subject to applicable Requirements of Law.

(c) Any foreclosure or other sale of less than the whole of the Mortgaged Property or any defective or irregular sale made hereunder shall not exhaust the power of foreclosure or of sale provided for herein, and subsequent sales may be made hereunder until the Obligations have been satisfied, or the entirety of the Mortgaged Property has been sold.

(d) If an Event of Default shall occur and be continuing, Beneficiary may instead of, or in addition to, exercising the rights described in Section 2.06(a) above and either with or without entry or taking possession as herein permitted, proceed by a suit or suits in law or in equity or by any other appropriate proceeding or remedy (i) to specifically enforce payment of some or all of the Obligations, or the performance of any term, covenant, condition or agreement of this Deed of Trust, the Credit Agreement, or any other Loan Document, or any other right, or (ii) to pursue any other remedy available to Beneficiary, all as Beneficiary shall determine most effectual for such purposes.

SECTION 2.07. Other Remedies.

(a) In case an Event of Default shall occur and be continuing, Beneficiary may also exercise, to the extent not prohibited by applicable Requirements of Law and subject to the terms of the Credit Agreement, any or all of the remedies available to a secured party under the UCC with respect to any Mortgaged Property subject to the UCC.

(b) In connection with a sale of the Mortgaged Property and the application of the proceeds of sale as provided in Section 2.08 hereof, Beneficiary shall be entitled to enforce payment of and to receive up to the principal amount of the Obligations, plus all other charges, payments and costs due under this Deed of Trust, and to recover a deficiency judgment for any portion of the aggregate principal amount of the Obligations remaining unpaid, with interest.

SECTION 2.08. Application of Sale Proceeds and Rents. Subject to the terms of the Credit Agreement and the Intercreditor Agreement, after any foreclosure sale of all or any of the Mortgaged Property, Trustee shall receive and apply the proceeds of the sale together with any Rents that may have been collected and any other sums that then may be held by Trustee under this Deed of Trust in accordance with the Credit Agreement.

Except as set forth in this Section 2.08, Trustee shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Deed of Trust. Upon any sale of the Mortgaged Property by Trustee (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of Trustee or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Mortgaged Property so sold and such purchaser or purchasers shall not be obligated to see to the application of any

part of the purchase money paid over to Trustee or such officer or be answerable in any way for the misapplication thereof.

SECTION 2.09. Grantor as Tenant Holding Over. If Grantor remains in possession of any of the Mortgaged Property after any foreclosure sale by Trustee, at Beneficiary's election Grantor shall be deemed a tenant holding over and shall forthwith surrender possession to the purchaser or purchasers at such sale or be summarily dispossessed or evicted according to provisions of Requirements of Law applicable to tenants holding over.

SECTION 2.10. Waiver of Appraisement, Valuation, Stay, Extension and Redemption Laws. Grantor waives, to the extent not prohibited by applicable Requirements of Law, (i) the benefit of all Requirements of Laws now existing or that hereafter may be enacted (x) providing for any appraisement or valuation of any portion of the Mortgaged Property and/or (y) in any way extending the time for the enforcement or the collection of amounts due under any of the Obligations or creating or extending a period of redemption from any sale made in collecting said debt or any other amounts due Beneficiary, (ii) any right to at any time insist upon, plead, claim or take the benefit or advantage of any Requirements of Law now or hereafter in force providing for any homestead exemption, stay, statute of limitations, extension or redemption, or sale of the Mortgaged Property as separate tracts, units or estates or as a single parcel in the event of foreclosure or notice of deficiency, and (iii) all rights of redemption, valuation, appraisement, stay of execution, notice of election to mature or declare due the whole of or each of the Obligations and marshaling in the event of foreclosure of this Deed of Trust.

SECTION 2.11. Discontinuance of Proceedings. In case Beneficiary shall proceed to enforce any right, power or remedy under this Deed of Trust by foreclosure, entry or otherwise, and such proceedings shall be discontinued or abandoned for any reason, or shall be determined adversely to Beneficiary, then and in every such case Grantor and Beneficiary shall be restored to their former positions and rights hereunder, and all rights, powers and remedies of Beneficiary shall continue as if no such proceeding had been taken.

SECTION 2.12. Suits To Protect the Mortgaged Property. Beneficiary shall have power (a) to institute and maintain suits and proceedings to prevent any impairment of the Mortgaged Property by any acts that may be unlawful or in violation of this Deed of Trust, (b) to preserve or protect its interest in the Mortgaged Property and in the Rents arising therefrom and (c) to attempt to restrain the enforcement of or compliance with applicable Requirements of Law that may be unconstitutional or otherwise invalid if the enforcement of or compliance with such applicable Requirements of Law would impair the security or be prejudicial to the interest of Beneficiary hereunder.

SECTION 2.13. Filing Proofs of Claim. In case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition or other proceedings affecting Grantor, Beneficiary shall, to the extent permitted by applicable Requirements of Law, be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of Beneficiary allowed in such proceedings for the Obligations secured by this Deed of Trust at the date of the institution of such proceedings and for any interest accrued, late charges and additional interest or other amounts due or that may become due and payable hereunder after such date.

SECTION 2.14. Possession by Beneficiary. Notwithstanding the appointment of any receiver, liquidator or trustee of Grantor, as to any of its property or the Mortgaged Property, Beneficiary shall be entitled, to the extent not prohibited by applicable Requirements of Law and subject to the terms of the Lease, to remain in possession and control of all parts of the Mortgaged Property now or hereafter granted under this Deed of Trust to Beneficiary in accordance with the terms hereof and applicable Requirements of Law.

SECTION 2.15. Waiver.

(a) No delay or failure by Beneficiary to exercise any right, power or remedy accruing upon any breach or Event of Default shall exhaust or impair any such right, power or remedy or be construed to be a waiver of any such breach or Event of Default or acquiescence therein; and every right, power and remedy given by this Deed of Trust to Beneficiary may be exercised from time to time and as often as may be deemed expedient by Beneficiary. No consent or waiver by Beneficiary to or of any breach or Event of Default by Grantor in the performance of the Obligations shall be deemed or construed to be a consent or waiver to or of any other breach or Event of Default in the performance of the same or of any other Obligations by Grantor hereunder. No failure on the part of Beneficiary to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, shall constitute a waiver by Beneficiary of its rights hereunder or impair any rights, powers or remedies consequent on any future Event of Default by Grantor.

(b) Even if Beneficiary (i) grants some forbearance or an extension of time for the payment of any sums secured hereby, (ii) takes other or additional security for the payment of any sums secured hereby, (iii) waives or does not exercise some right granted herein or under the Credit Agreement or under any other Loan Document, (iv) releases a part of the Mortgaged Property from this Deed of Trust, (v) agrees to change some of the terms, covenants, conditions or agreements of the Credit Agreement or any other Loan Document, (vi) consents to the filing of a map, plat or replat affecting the Premises, (vii) consents to the granting of an easement or other right affecting the Premises or (viii) makes or consents to an agreement subordinating Beneficiary's lien on the Mortgaged Property hereunder; no such act or omission shall preclude Beneficiary from exercising any other right, power or privilege herein granted or intended to be granted in the event of any breach or Event of Default then made or of any subsequent default; nor, except as otherwise expressly provided in an instrument executed by Beneficiary, shall this Deed of Trust be altered thereby. In the event of the sale or transfer by operation of law or otherwise of all or part of the Mortgaged Property in violation of the terms of the Credit Agreement, Beneficiary is hereby authorized and empowered to deal with any vendee or transferee with reference to the Mortgaged Property secured hereby, 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.

SECTION 2.16. WAIVER OF TRIAL BY JURY. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, GRANTOR AND BENEFICIARY EACH HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY ACTION, CLAIM, SUIT OR PROCEEDING

RELATING TO THIS DEED OF TRUST AND FOR ANY COUNTERCLAIM BROUGHT THEREIN.

SECTION 2.17. WAIVER OF GRANTOR'S RIGHTS. BY EXECUTION OF THIS DEED OF TRUST, GRANTOR EXPRESSLY: (A) ACKNOWLEDGES THE RIGHT OF BENEFICIARY TO ACCELERATE THE INDEBTEDNESS EVIDENCED BY THE CREDIT AGREEMENT UPON THE OCCURRENCE OF AN EVENT OF DEFAULT; (B) TO THE EXTENT ALLOWED BY APPLICABLE REQUIREMENTS OF LAW, WAIVES ANY AND ALL RIGHTS WHICH GRANTOR MAY HAVE UNDER THE CONSTITUTION OF THE UNITED STATES, THE VARIOUS PROVISIONS OF THE CONSTITUTIONS FOR THE SEVERAL STATES, OR BY REASON OF ANY OTHER APPLICABLE REQUIREMENTS OF LAW, TO NOTICE AND TO JUDICIAL HEARING PRIOR TO THE EXERCISE BY BENEFICIARY OF ANY RIGHT OR REMEDY HEREIN PROVIDED TO BENEFICIARY; (C) ACKNOWLEDGES THAT GRANTOR HAS READ THIS DEED OF TRUST AND ITS PROVISIONS HAVE BEEN EXPLAINED FULLY TO GRANTOR AND GRANTOR HAS CONSULTED WITH LEGAL COUNSEL OF GRANTOR'S CHOICE PRIOR TO EXECUTING THIS DEED OF TRUST; AND (D) ACKNOWLEDGES THAT ALL WAIVERS OF THE AFORESAID RIGHTS OF GRANTOR HAVE BEEN MADE KNOWINGLY, INTENTIONALLY AND WILLINGLY BY GRANTOR AS PART OF A BARGAINED FOR TRANSACTION.

SECTION 2.18. Remedies Cumulative. No right, power or remedy conferred upon or reserved to Beneficiary by this Deed of Trust is intended to be exclusive of any other right, power or remedy, and each and every such right, power and remedy shall be cumulative and concurrent and in addition to any other right, power and remedy given hereunder or now or hereafter existing at law or in equity or by statute.

ARTICLE III

MISCELLANEOUS

SECTION 3.01. Partial Invalidity. In the event any one or more of the provisions contained in this Deed of Trust shall for any reason be held to be invalid, illegal or unenforceable in any respect, such validity, illegality or unenforceability shall, at the option of Beneficiary, not affect any other provision of this Deed of Trust, and this Deed of Trust shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

SECTION 3.02. Notices. All notices and communications hereunder shall be in writing and given to Grantor in accordance with the terms of the Credit Agreement at the address set forth on the first page of this Deed of Trust and to Beneficiary as provided in the Credit Agreement.

SECTION 3.03. Successors and Assigns. All of the grants, covenants, terms, provisions and conditions herein shall run with the Premises and the Improvements and shall apply to, bind and inure to, the benefit of the permitted successors and assigns of Grantor and the successors and assigns of Beneficiary.

SECTION 3.04. Satisfaction and Cancellation.

(a) This Deed of Trust shall terminate on the Termination Date.

(b) In connection with any termination or release pursuant to paragraph (a) above, Beneficiary shall promptly execute and deliver to Grantor, at Grantor's expense, all documents that Grantor shall reasonably request to evidence such termination or release, without the consent of Lenders. Any execution and delivery of documents pursuant to this Section 3.04 shall be without recourse to or representation or warranty by Beneficiary. Without limiting the provisions of any guarantee(s) or any other agreements, Grantor shall reimburse Beneficiary upon demand for all costs and out of pocket expenses, including the reasonable fees, charges and expenses of third party counsel, incurred by it in connection with any action contemplated by this Section 3.04.

SECTION 3.05. Definitions. As used in this Deed of Trust, the singular shall include the plural as the context requires and the following words and phrases shall have the following meanings: (a) "including" shall mean "including but not limited to"; (b) "provisions" shall mean "provisions, terms, covenants and/or conditions"; (c) "lien" shall mean "lien, charge, encumbrance, security interest, mortgage or deed of trust"; (d) "obligation" shall mean "obligation, duty, covenant and/or condition"; and (e) "any of the Mortgaged Property" shall mean "the Mortgaged Property or any part thereof or interest therein". Any act that Beneficiary is permitted to perform hereunder may be performed at any time and from time to time by Beneficiary or any person or entity designated by Beneficiary. Any act that is prohibited to Grantor hereunder is also prohibited to all lessees of any of the Mortgaged Property. Each appointment of Beneficiary as attorney-in-fact for Grantor under this Deed of Trust is irrevocable, with power of substitution and coupled with an interest. Subject to the applicable provisions hereof, Beneficiary has the right to refuse to grant its consent, approval or acceptance or to indicate its satisfaction, in its sole discretion, whenever such consent, approval, acceptance or satisfaction is required hereunder.

SECTION 3.06. No Oral Modification. This Deed of Trust may not be changed or terminated orally. Any agreement made by Grantor and Beneficiary after the date of this Deed of Trust relating to this Deed of Trust shall be superior to the rights of the holder of any intervening or subordinate Deed of Trust, lien or encumbrance.

SECTION 3.07. Rights of Beneficiary. In connection with its execution and acting under this Deed of Trust, and subject to applicable Requirements of Law, Beneficiary is entitled to all rights, privileges, protections, immunities, benefits and indemnities provided to it under the Credit Agreement, all of which are incorporated by reference herein, mutatis mutandis.

SECTION 3.08. Intentionally Omitted.

SECTION 3.09. Multisite Real Estate Transaction. Grantor acknowledges that this Deed of Trust is one of a number of other deeds to secure debt, mortgages, deeds of trust, leasehold mortgages, leasehold deed of trusts and/or other documents that secure the Obligations (the "Security Documents"). Grantor agrees that the lien of this Deed of Trust shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions

whatsoever of Beneficiary, and without limiting the generality of the foregoing, the lien hereof shall not be impaired by any acceptance by Beneficiary of any security for or guarantees of any of the Obligations hereby secured, or by any failure, neglect or omission on the part of Beneficiary to realize upon or protect any of the Obligations or indebtedness hereby secured or any collateral security therefor including the Security Documents. The lien hereof shall not in any manner be impaired or affected by any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, changing, modification or disposition of any of the Obligations secured or of any of the collateral security therefor, including the Security Documents or of any guarantee thereof, and Beneficiary may at its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under applicable Requirements of Law and any or all of the Security Documents without first exercising or enforcing any of its rights and remedies hereunder. Such exercise of Beneficiary's rights and remedies under any or all of the Security Documents shall not in any manner impair the indebtedness hereby secured or the lien of this Deed of Trust and any exercise of the rights or remedies of Beneficiary hereunder shall not impair the lien of any of the Security Documents or any of Beneficiary's rights and remedies thereunder. Grantor specifically consents and agrees that Beneficiary may exercise its rights and remedies hereunder and under the Security Documents separately or concurrently and in any order that it may deem appropriate and waives any rights of subrogation.

ARTICLE IV

PARTICULAR PROVISIONS

This Deed of Trust is subject to the following provisions relating to the particular Requirements of Laws of the state wherein the Premises are located:

SECTION 4.01. Applicable Law; Certain Particular Provisions. This Deed of Trust shall be governed by and construed in accordance with the internal law of the state where the Mortgaged Property is located, except that Grantor expressly acknowledges that by their terms, the Loan Documents (aside from any mortgages or deeds of trust to be recorded outside the State of New York) shall be governed by the internal law of the State of New York, without regard to principles of conflict of law. Grantor and Beneficiary agree to submit to the jurisdiction and the laying of venue for any suit on this Deed of Trust in the state where the Mortgaged Property is located. In the event of any conflict between the terms and provisions contained elsewhere in this Deed of Trust and the terms and provisions set forth in Section 5 hereof, the terms and provisions set forth in Section 5 shall govern and control. The parties hereto agree that this Deed of Trust and all provisions herein shall be read to the fullest extent possible to supplement and not conflict with the terms of the Credit Agreement, provided that any conflict between this Deed of Trust and the Credit Agreement after such a reading shall be resolved pursuant to the terms of the Credit Agreement.

SECTION 4.02. Concerning Trustee.

(a) Trustee, by its acceptance hereof, covenants faithfully to perform and fulfill the trusts herein created, being liable, however, only for willful negligence or misconduct, and hereby waives any statutory fee and agrees to accept reasonable compensation (but in no

event more than one and one-half (1.5%) of the proceeds of any foreclosure sale pursuant to this Deed of Trust), in lieu thereof, for any services rendered by him or her in accordance with the terms hereof. The necessity of making an oath or giving a bond is hereby expressly waived.

(b) Trustee may resign at any time upon giving thirty (30) days' notice in writing to Grantor and to Beneficiary.

(c) Beneficiary shall have the irrevocable power to remove Trustee, and to appoint one or more additional or substitute trustees, including itself, without notice and without specifying any reason therefor. Such power of appointment of successor trustees may be exercised as often as and whenever Beneficiary deems it advisable, and the exercise of such power of appointment, no matter how often, shall not be exhaustion thereof. Grantor, for itself, its successors and assigns, and Trustee herein named or that may be substituted hereunder, each expressly waives notice of the exercise of such power and any necessity of making oath or giving bond of any Trustee hereunder. Upon the recordation of such instrument or instruments of appointment, each trustee or trustees so appointed shall thereupon without any further act or deed or conveyance become fully vested with identically the same title and estate in and to the Premises, and with all the rights, powers, trusts, and duties of their, his or its predecessor in the trust hereunder, with like effect as if originally named Trustee hereunder. No such substitute Trustee shall be required to give a bond for the faithful performance of their, his or its duties unless required to do so by Beneficiary.

(d) The term "Trustee" shall be construed to mean all persons or entities from time to time acting as Trustee hereunder, whether the person or entity named initially as Trustee, or one or more successors in the trust. All title, estate, rights, powers, trusts and duties hereunder given, or appertaining to or devolving upon Trustee shall be in each trustee hereunder so that any action hereunder or purporting to be hereunder of the original, or any successor, trustee shall for all purposes be considered to be, and be as effective as, the action of Trustee.

SECTION 4.03. Protective Advances. Beneficiary shall have the right, but not the obligation, to make protective advances with respect to the Mortgaged Property for the payment of taxes, assessments, insurance premiums, repairs, maintenance and other costs incurred in the protection of the Mortgaged Property in accordance with the Credit Agreement, and such protective advances, together with interest thereon at the Default Rate to the extent not inconsistent with the Credit Agreement from the date of each such advance until it is repaid in full, shall be secured by this Deed of Trust.

SECTION 4.04. Reduction of Secured Amount. In the event that the amount secured by this Deed of Trust is less than the Obligations, then the amount secured shall be reduced only by the last and final sums that Grantor or any Borrower repays with respect to the Obligations and shall not be reduced by any intervening repayments of the Obligations unless arising from the Mortgaged Property. So long as the balance of the Obligations exceeds the amount secured, any payments of the Obligations shall not be deemed to be applied against, or to reduce, the portion of the Obligations secured by this Deed of Trust. Such payments shall instead be deemed to reduce only such portions of the Obligations as are secured by other collateral located outside of the state in which the Mortgaged Property is located or as are unsecured.

SECTION 4.05. Lease.

(a) In consideration of and as an inducement for Lenders to make the Loan, Grantor hereby makes the following representations, warranties, covenants and agreements to Beneficiary, all of which shall survive the execution and delivery of the Loan Documents, and any and all investigations and inquiries made by Beneficiary, and all of which covenants and agreements shall remain continuing obligations until the Termination Date.

(i) Except as otherwise set forth in any estoppel delivered to Beneficiary on or prior to the date hereof, no material default by Grantor, nor to the knowledge of Grantor, by the Landlord, has occurred and is continuing under the Lease and, to the knowledge of Grantor, no event has occurred which, with the passage of time or the giving of notice, or both, would constitute a material default under the Lease. Except as otherwise set forth in any estoppel delivered to Beneficiary on or prior to the date hereof, the Lease is in full force and effect.

(ii) All rents, additional rents, association payments and all other charges due and payable as of the date first written above under the Lease have been fully paid.

(iii) Grantor is the owner of the entire lessee's interest in and under the Lease with respect to the Premises.

(iv) Grantor shall, at its sole cost and expense, promptly and timely perform and observe in all material respects all the material terms, covenants and conditions required to be performed and observed by Grantor as lessee under the Lease (including, but not limited to, the payment of all rent, association payments and other charges required to be paid under the Lease), in each case, before the expiration of any grace period applicable thereto.

(b) If Grantor shall violate the provisions of Subsection 4.05(a)(iv) above, Grantor grants Beneficiary the right (but not the obligation), without notice to Grantor, to take any action as may be reasonably necessary to prevent or cure any default of Grantor under the Lease, and Beneficiary shall have the right to enter all or any portion of the Premises at such times and in such manner as Beneficiary deems necessary, in order to cure any such default.

(c) No action or payment taken or made by Beneficiary to cure any default by Grantor under the Lease shall remove or waive, as between Grantor and Beneficiary, any Event of Default which occurred hereunder by virtue of the default by Grantor under the Lease. All sums expended by Beneficiary in order to cure any such default shall be paid by Grantor to Beneficiary, upon demand, with interest thereon at the Default Rate. All such indebtedness shall be deemed to be secured by the lien of this Deed of Trust.

(d) Grantor shall notify Beneficiary promptly in writing of (i) the occurrence of any material default by the Landlord under the Lease to which Grantor has knowledge of, and (ii) the receipt by Grantor of any notice (written or otherwise) from the Landlord under the Lease noting or claiming the occurrence of any material default by Grantor under the Lease or the occurrence of any event which, with the passage of time or giving of notice, or both, would constitute a material default by Grantor under the Lease. Grantor shall promptly deliver to Beneficiary a copy of any such written notice of default.

(e) Upon Beneficiary's reasonable request from time to time, Grantor shall use commercially reasonable efforts to obtain from the Landlord under the Lease and furnish to Beneficiary the estoppel certificate of such Landlord stating the date through which rent has been paid, whether or not there are any defaults under the Lease and specifying the nature of such claimed defaults, if any, and such other matters as may be reasonably required by Beneficiary.

(f) Grantor shall promptly execute, acknowledge and deliver to Beneficiary such instruments as may reasonably be required to permit Beneficiary to cure any default under the Lease or permit Beneficiary to take such other action required to enable Beneficiary to cure or remedy the matter in default in each case in accordance with the provisions of this Deed of Trust and preserve the security interest of Beneficiary under this Deed of Trust with respect to the Lease. Grantor hereby irrevocably appoints Beneficiary as its true and lawful attorney-in-fact to do, in its name or otherwise, any and all acts and to execute any and all documents which are reasonably necessary to preserve any rights of Grantor under or with respect to the Lease, including, without limitation, the right to effectuate any extension or renewal of the Lease if such rights would otherwise expire prior to Beneficiary's taking possession of the Premises through foreclosure of this Deed of Trust (and the above powers granted to Beneficiary are coupled with an interest and shall be irrevocable), in each case, which rights may only be exercised by Beneficiary following and during the continuance of an Event of Default by Grantor hereunder or under the other Loan Documents and only if Grantor is not preserving all of its rights under the Lease as determined by Beneficiary in its sole discretion.

(g) Grantor shall not, without Beneficiary's prior written consent, surrender, terminate, forfeit, or suffer or permit the surrender, termination or forfeiture of, or change, modify or amend the Lease except if and to the extent not prohibited by the Credit Agreement. Consent by Beneficiary to one amendment, change, agreement or modification shall not be deemed to be a waiver of the right to require consent to other, future or successive amendments, changes, agreements or modifications. In the event of any acquisition of any of the Landlord's interest in the Lease by Grantor or any affiliate of Grantor, Grantor shall accomplish such acquisition in such a manner so as to avoid a merger of the interests of lessor and lessee in the Lease unless consent to such merger is granted by Beneficiary and in the event of any such acquisition Grantor shall deliver all documents reasonably required by Beneficiary in connection with such acquisition, including without limitation, a modification to this Deed of Trust, or a new mortgage in substantially the same form as this Deed of Trust, encumbering such lessor's interest in the Lease.

(h) Grantor shall not, without Beneficiary's prior written consent, elect to treat the Lease as terminated under subsection 365(h)(1) of the Bankruptcy Code. Any such election made without Beneficiary's prior written consent shall be void.

(i) As security for the obligations secured by this Deed of Trust, Grantor hereby unconditionally assigns, transfers and sets over to Beneficiary all of Grantor's claims and rights to the payment of damages arising from any rejection by the Landlord of the Lease under the Bankruptcy Code. Beneficiary and Grantor shall proceed jointly or in the name of Grantor in respect of any claim, suit, action or proceeding relating to the rejection of the Lease, including, without limitation, the right to file and prosecute any proofs of claim, complaints, motions, applications, notices and other documents in any case in respect of such Landlord under the

Bankruptcy Code. This assignment constitutes a present, irrevocable and unconditional assignment of the foregoing claims, rights and remedies, and shall continue in effect until such time as all the Obligations (other than wholly contingent indemnification obligations) have been indefeasibly paid in full in accordance with the terms of the Credit Agreement and all of the other Loan Documents. Any amounts received by Beneficiary or Grantor as damages arising out of the rejection of the Lease as aforesaid shall be applied first to all reasonable costs and expenses of Beneficiary (including, without limitation, reasonable attorneys' fees and costs) incurred in connection with the exercise of any of its rights or remedies under this Section and then in accordance with the other applicable provisions of the Loan Documents.

(j) If, pursuant to subsection 365(h)(2) of the Bankruptcy Code, Grantor seeks to offset, against the rent reserved in the Lease, the amount of any damages caused by the nonperformance by the Landlord thereunder of any of such Landlord's obligations under the Lease after the rejection by the Landlord of the Lease under the Bankruptcy Code, Grantor shall, prior to effecting such offset, notify Beneficiary in writing of its intent so to do, setting forth the amounts proposed to be so offset, and, in the event Beneficiary reasonably objects, Grantor shall not effect any offset of the amounts so objected to by Beneficiary.

(k) If any action, proceeding, motion or notice shall be commenced or filed in respect of the Landlord or the Mortgaged Property or any portion thereof in connection with any case under the Bankruptcy Code, Beneficiary and Grantor shall cooperatively conduct and control any such litigation with counsel agreed upon between Grantor and Beneficiary in connection therewith. Grantor shall, upon demand, pay to Beneficiary all reasonable costs and expenses (including reasonable attorneys' fees and costs) paid or incurred by Beneficiary in connection with the cooperative prosecution or conduct of any such proceedings. All such costs and expenses shall be secured by the lien of this Deed of Trust.

(l) Grantor shall promptly, after obtaining knowledge thereof, notify Beneficiary orally of any filing by or against the Landlord of a petition under the Bankruptcy Code. Grantor shall thereafter promptly give written notice of such filing to Beneficiary, setting forth any information available to Grantor as to the date of such filing, the court in which such petition was filed, and the relief sought therein. Grantor shall promptly deliver to Beneficiary, following its receipt thereof, any and all notices, summonses, pleadings, applications and other documents received by Grantor in connection with any such petition and any proceedings relating thereto.

(m) As of the date hereof, Grantor hereby represents that the Lease has not been amended, modified, extended, renewed, substituted or assigned except as described herein and that Grantor has delivered to Beneficiary true, accurate and complete copies of the Lease.

(n) Grantor shall not waive, excuse, condone or in any way release or discharge the Landlord under the Lease of or from such Landlord's material obligations, covenants and/or material conditions under the Lease without the prior written consent of Beneficiary, except if and to the extent permitted in the Credit Agreement.

(o) This Deed of Trust has been lawfully executed and delivered in full conformity with the Lease or as may otherwise have been consented to in writing by Landlord.

(p) Grantor shall promptly notify Beneficiary in writing of any request made by either party to the Lease for arbitration proceedings pursuant to or in connection with the Lease and of the institution of any arbitration proceedings, as well as of all proceedings thereunder, will not enter into or hereafter agree to any such arbitration procedure (unless required by law or by agreement) without Beneficiary's prior written consent not to be unreasonably withheld, and will promptly deliver to Beneficiary a copy of the determination of the arbitrators in each such arbitration proceeding.

ARTICLE V

STATE-SPECIFIC PROVISIONS

The terms and provisions set forth below in this Section 5 shall be construed, to the greatest extent possible, consistently with those set forth elsewhere in this Deed of Trust as being in addition to and supplementing such other terms and provisions set forth elsewhere in this Deed of Trust; provided, however, that notwithstanding anything to the contrary set forth elsewhere in this Deed of Trust, in the event of any conflict or inconsistency between the terms and provisions of this Section 5 and the terms and provisions set forth elsewhere in this Deed of Trust, the following terms and provisions of this Section 5 shall govern and control:

SECTION 5.01. Substitution of Trustee. Pursuant to RCW 61.24.010(2), the powers of Trustee may be exercised by any successor Trustee with the same effect as if exercised by Trustee. Grantor hereby grants to Beneficiary, 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.

SECTION 5.02. Performance of Duties; Liability. Trustee shall perform and fulfill faithfully its obligations hereunder, but it shall be under no duty to act until it receives notice of the occurrence of an Event of Default from Beneficiary 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.

SECTION 5.03. Trustee's Fees. Grantor shall pay Trustee reasonable compensation for any and all services performed and all its reasonable expenses, charges, attorneys' fees and other 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 debt secured hereby.

SECTION 5.04. Reconveyance. Trustee shall reconvey all or any part of the Mortgaged Property covered by this Deed of Trust to the person entitled thereto, upon written request of Beneficiary and Grantor, or upon full satisfaction of the debt secured hereby and written request of Beneficiary or the person entitled thereto.

SECTION 5.05. 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:

Upon written request therefor by Beneficiary 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, Trustee shall execute a written notice of breach and of its election to cause the Mortgaged Property to be sold to satisfy the obligation secured hereby, and shall cause such notice to be recorded and otherwise 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 Grantor, shall sell the Mortgaged 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. Grantor agrees that such sale (or a sheriff's sale pursuant to judicial foreclosure) of all the Mortgaged Property as real estate constitutes a commercially reasonable disposition thereof, but that with respect to all or any part of the Mortgaged 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 Uniform Commercial Code. Whatever notice is permitted or required hereunder or under the Uniform Commercial Code, ten (10) days shall be deemed reasonable. Trustee may postpone sale of all or any portion of the Mortgaged 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 Mortgaged 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 Grantor or any one or more Lender, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee, and of this Deed of 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; 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.

SECTION 5.06. Commercial Loan. Grantor warrants that the proceeds of the Loan are for commercial purposes only and not for personal, family or household purposes pursuant to RCW 19.52.080.

SECTION 5.07. Non-Agricultural Use. The Mortgaged 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

SECTION 5.08. Washington Statute of Frauds Notice. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LEND MONEY, EXTEND CREDIT, OR FOREBEAR


FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

SECTION 5.09. Waiver of Immunity Under RCW Title 51. With respect to any contractual matters that Grantor establishes in any action within the scope of RCW Section 4.24.115, Grantor expressly (1) waives Grantor's immunity under RCW tit. 51 and acknowledges that such waiver was mutually negotiated by the parties; and (2) agrees to indemnify Beneficiary. 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 Grantor or Grantor's agents or employees and of Beneficiary or Beneficiary's agents or employees, as to which Grantor agrees to indemnify Beneficiary to the extent of the negligence of Grantor or Grantor's agents or employees. Nothing herein shall be deemed to require Grantor to indemnify Beneficiary against the sole or concurrent negligence of Beneficiary or Beneficiary's agents or employees 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, Grantor shall indemnify Beneficiary to the fullest extent not prohibited by law, including, without limitation, in the event of the sole or concurrent negligence of Beneficiary or of any other person or entity.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Deed of Trust has been duly executed and delivered to Beneficiary by Grantor on the date of the acknowledgment attached hereto.

COASTAL FARM & HOME SUPPLY LLC,
an Oregon limited liability company

By: 
Name: Rob Weitz
Title: Vice President

[Signature Page to Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement, and Fixture Filing – Skagit County, Washington]

See Attached
ACKNOWLEDGMENT

STATE OF)
) ss.
COUNTY OF)

This instrument was acknowledged before me on _____, 2023, by _____, the
_____ of COASTAL FARM & HOME SUPPLY LLC, on behalf of said limited liability
company.

Notary Public
My commission expires: _____
[seal]

ACKNOWLEDGMENT

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 Los Angeles)

On May 22, 2023 before me, Vichea Chhuon, Notary Public
(insert name and title of the officer)

personally appeared Rob Weitz,
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 Vichea Chhuon (Seal)

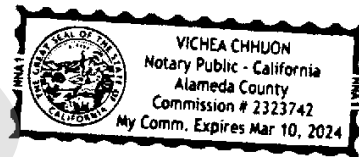


Exhibit A

Description of the Land

Those portions of the Northeast Quarter of the Northeast Quarter and the Southeast Quarter of the Northeast Quarter of Section 18, Township 34 North, Range 4 East of the Willamette Meridian, also being portions of Lots 3A, 3B, and 3C of that certain Plat of City of Mount Vernon Binding Site Plan No. MV 1-94 BSP, recorded in Volume 11 of Short Plats, pages 77 through 81, under Auditor's File No. 9405310129, records of Skagit County, Washington, being more particularly described as follows:

Commencing at the East Quarter corner of Section 18 as shown on said plat;
Thence along the East-West centerline of Section 18, South 90°00'00" West, 1,332.45 feet to the East center 1/16th corner;

Thence along the North-South centerline of the Northeast Quarter of Section 18, North 00°20'56" West 1,657.73 feet to the North line of the South 330 feet of the Northeast Quarter of the Northeast Quarter of Section 18, said point being the true point of beginning and the Northwest corner of Lot 3C of City of Mount Vernon Binding Site Plan No. MV 1-94 BSP;

Thence along the boundaries of Lot 3C the following courses: South 89°50'52" East 660.91 feet;

Thence South 00°24'07" East 124.90 feet to the Westerly line of Market Street;

Thence along the Westerly line of Market Street South 35°08'11" West 87.55 feet to a point of curvature; Thence Southerly 101.79 feet along the arc of a 210.00 foot radius curve, concave to Southeast, through a central angle of 27°46'18";

Thence leaving said Westerly line North 90°00'00" West 573.09 feet to the Easterly right-of-way of Interstate highway 5, being also the Northwest corner of Lot 3B of City of Mount Vernon Binding Site Plan No. MV 1-94 BSP;

Thence along said Easterly said right-of-way North 00°20'56" West to the point of beginning;

ALSO beginning at the Northwest corner of Lot 3B described above, said point being the true point of beginning of Lot 3B;

Thence along the boundaries of said Lot 3B the following courses: South 90°00'00" East 573.09 feet to the West line of Market Street;

Thence along the West line of Market Street Southerly 28.47 feet along the arc of a 210.00 foot radius curve, concave to the East with a radial bearing of South 82°38'07" East, through a central angle of 07°46'00" to a point of tangency;

Thence South 00°24'07" East 303.20 feet;

Thence leaving said Westerly line of Market Street North 90°00'00" West 562.72 feet to the Easterly right-of-way of Interstate Highway 5, being also the Northwest corner of Lot 3A of City of Mount Vernon Binding Site Plan No. MV 1-94 BSP;

Thence along said Easterly right-of-way North 09°48'40" West 53.25 feet to an angle point; Thence North 00°20'56" West 279.13 feet to the point of beginning;

ALSO beginning at the Northwest corner of Lot 3A described above, said point being the true point of beginning of Lot 3A;
Thence along the boundaries of said Lot 3A the following courses: South 90°00'00" East 562.72 feet to the West line of Market Street;
Thence along the West line of Market Street South 00°24'07" East 353.93 feet;
Thence leaving said West line of Market Street North 90°00'00" West 504.00 feet to the Easterly right-of-way of Interstate Highway 5;
Thence along said Easterly right-of-way North 09°48'40" West 359.17 feet to the point of beginning;

EXCEPT that portion of Lot 3A, City of Mount Vernon Binding Site Plan No. MV 1-94 BSP, described as follows:

Beginning at the Southeast corner of said Lot 3A;
Thence West 504.00 feet along the South line thereof to the Westerly line of said Lot 3A; Thence North 09°48'40" West 36.04 feet along said Westerly line;
Thence South 89°50'52" East 207.04 feet;
Thence South 00°09'08" West 5.00 feet;
Thence South 89°50'52" East 214.76 feet;
Thence North 00°09'08" East 40.35 feet;
Thence North 89°56'35" East 87.76 feet to the East line of said Lot 3A;
Thence South 00°24'07" East 69.83 feet along said East line to the point of beginning.

Situated in Skagit County, Washington.