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DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING

NAME OF GRANTOR:	ALM BURLINGTON, LLC, a Delaware limited liability company
NAME OF GRANTEES:	
BENEFICIARY:	VERITEX COMMUNITY BANK
TRUSTEE:	COMMONWEALTH LAND TITLE COMPANY
ABBREVIATED LEGAL DESCRIPTION:	Lots 2F, 2G & 2H, Bay Ridge Business Park BSP No. PL-03-0706, Rec No. 200407090108 Skagit County, Washington Complete legal description is on attached Exhibit A
ASSESSOR'S PROPERTY TAX PARCEL ACCOUNT NUMBER(S):	P122075 / 8054-000-006-0000

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DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING

THIS DOCUMENT SERVES AS A FIXTURE FILING UNDER SECTION 9.502 OF THE UNIFORM COMMERCIAL CODE, AS ADOPTED BY THE STATE OF WASHINGTON AND SET FORTH IN RCW62A.9A-502.

This DEED OF TRUST, SECURITY AGREEMENT AND FIXTURE FILING (herein referred to as the "Deed of Trust"), entered into as of June 7, 2024 ("Effective Date"), by ALM Burlington, LLC, a Delaware limited liability company, as Grantor, whose mailing address for notice hereunder is 9830 Colonnade Blvd., Ste. 600, San Antonio, TX 78230, Attention: Lee Kessler, to Chicago Title Company of Washington, Trustee, whose address is 3002 Colby Avenue, Suite 200, Everett, Washington 98201, for the benefit of the hereinafter described Beneficiary.

WITNESSETH:

ARTICLE I

DEFINITIONS

1.1 **Definitions.** As used herein, the following terms shall have the following meanings:

Anti-Terrorism Laws: Any and all present and future judicial decisions, statutes, rulings, rules, regulations, permits, certificates, orders and ordinances of any Governmental Authority relating to terrorism or money laundering, including, without limiting the generality of the foregoing, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Pub. L. No. 107-56); the Trading with the Enemy Act (50 U.S.C.A. App. 1 et seq.); the International Emergency Economic Powers Act (50 U.S.C.A. § 1701-06); Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (relating to "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism") and the United States Treasury Department's Office of Foreign Assets Control list of "Specifically Designated National and Blocked Persons" (as published from time to time in various mediums, including, without limitation, at <http://www.treas.gov/ofac/t11sdn.pdf>).

Architectural Barrier Laws: Any and all architectural barrier laws including, without limitation, the Americans with Disabilities Act of 1990, P.L. 101-336, and any applicable Washington State law, as amended, or any successor thereto.

Assignment: That certain Assignment of Rents of even date herewith executed by Grantor, as assignor and Beneficiary, as assignee.

Beneficiary: VERITEX COMMUNITY BANK, a Texas state bank, whose address for notice hereunder is 9655 Katy Freeway, Suite 450, Houston, Texas 77024, and the subsequent holder or holders, from time to time, of the Note.

Casualty Threshold: Shall have the meaning ascribed to it in Section 8.1.

Constituent Party: As defined in the Loan Agreement.

Contracts: All of the right, title, and interest of Grantor, including equitable rights, in, to, and under any and all (i) contracts and agreements for the purchase or sale of all or any portion of the Mortgaged Property, whether such contracts or agreements are now or at any time hereafter existing, including but without limitation, any and all earnest money or other deposits escrowed or to be escrowed or letters of credit provided or to be provided by the purchasers under the Contracts, including all amendments and supplements to and renewals and extensions of the Contracts at any time made, and together with all payments, earnings, income, and profits arising from the sale of all or any portion of the Mortgaged Property or from the Contracts and all other sums due or to become due under and pursuant thereto and together with any and all earnest money, security, letters of credit or other deposits under any of the Contracts; (ii) contracts, licenses, permits, and rights relating to living unit equivalents or other entitlements for water, wastewater, and other utility services whether executed, granted, or issued by a private person or entity or a governmental or quasi-governmental agency, which are directly or indirectly related to, or connected with, the development, ownership, maintenance or operation of the Mortgaged Property, whether such contracts, licenses, and permits are now or at any time thereafter existing, including without limitation, any and all rights of living unit equivalents or other entitlements with respect to water, wastewater, and other utility services, certificates, licenses, zoning variances, permits, and no action letters from each Governmental Authority required: (a) to evidence compliance by Grantor and all Improvements constructed or to be constructed on the Mortgaged Property with all Legal Requirements applicable to the Mortgaged Property, and (b) to develop and/or operate the Mortgaged Property as an industrial and logistics building; (iii) any and all right, title, and interest Grantor may have in any financing arrangements relating to the financing of or the purchase of all or any portion of the Mortgaged Property by future purchasers; and (iv) all other contracts which in any way relate to the use, enjoyment, occupancy, operation, maintenance, management or ownership of the Mortgaged Property (save and except any and all leases, subleases or other agreements pursuant to which Grantor is granted a possessory interest in the Land), including but not limited to maintenance and service contracts and management agreements.

Debtor Relief Laws: Title 11 of the United States Code, as now or hereafter in effect, or any other applicable law, domestic or foreign, as now or hereafter in effect, relating to bankruptcy, insolvency, liquidation, receivership, reorganization, arrangement or composition, extension or adjustment of debts, or similar laws affecting the rights of creditors.

Default Rate: The rate of interest specified in the Note as the “Default Rate”.

Disposition: Any sale, lease (except as permitted under the Assignment), exchange, assignment, conveyance, transfer, trade, or other disposition of all or any portion of the Mortgaged Property (or any interest therein) or all or any part of the beneficial ownership interest in Grantor (if Grantor is a corporation, partnership, general partnership, limited partnership, joint venture, trust, or other type of business association or legal entity), other than a Permitted Transfer (as defined in the Loan Agreement).

Environmental Law: As defined in the Environmental Indemnity Agreement.

ERISA: The Employee Retirement Income Security Act of 1974, 29 U.S.C.A. § 1001 et seq., as amended, and any and all successor statutes thereof.

Event of Default: Event of Default shall have the meaning ascribed to such term in the Loan Agreement.

Fixtures: All materials, supplies, equipment, systems, apparatus, and other items now owned or hereafter acquired by Grantor and now or hereafter attached to or installed in any of the Improvements or the Land, which are now owned or hereafter acquired by Grantor and are now or hereafter attached to the Land or the Improvements, and including but not limited to any and all partitions, dynamos, window screens and shades, draperies, rugs and other floor coverings, awnings, motors, engines, boilers, furnaces, pipes, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, heating, ventilating, refrigeration, plumbing, laundry, lighting, generating, cleaning, waste disposal, transportation (of people or things, including but not limited to, stairways, elevators, escalators, and conveyors), incinerating, air conditioning and air cooling equipment and systems, gas and electric machinery, appurtenances and equipment, disposals, dishwashers, refrigerators and ranges, recreational equipment and facilities of all kinds, and lighting, traffic control, waste disposal, raw and potable water, gas, electrical, storm and sanitary sewer, telephone and cable television facilities, and all other utilities whether or not situated in easements, together with all accessions, appurtenances, replacements, betterments, and substitutions for any of the foregoing and the proceeds thereof.

Governmental Authority: As defined in the Loan Agreement.

Grantor: The individual or entity described as Grantor in the initial paragraph of this Deed of Trust and any and all subsequent owners of the Mortgaged Property or any part thereof (without hereby implying Beneficiary’s consent to any Disposition of all or any part of the Mortgaged Property).

Hazardous Substance: As defined in the Environmental Indemnity Agreement.

Impositions: (i) All real estate and personal property taxes, charges, assessments, standby fees, excises, and levies and any interest, costs, or penalties with respect thereto,

general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever which at any time prior to or after the execution hereof may be assessed, levied, or imposed upon the Mortgaged Property or the ownership, use, occupancy, or enjoyment thereof, or any portion thereof, or the sidewalks, streets, or alleyways adjacent thereto; (ii) any charges, fees, license payments, or other sums payable for or under any easement, license, or agreement maintained for the benefit of the Mortgaged Property; (iii) water, gas, sewer, electricity, and other utility charges and fees relating to the Mortgaged Property; and (iv) assessments and charges arising under any subdivision, condominium, planned unit development, or other declarations, restrictions, regimes, or agreements affecting the Mortgaged Property.

Improvements: Any and all buildings, covered garages, air conditioning towers, open parking areas, structures and other improvements, and any and all additions, alterations, betterments or appurtenances thereto, now or at any time hereafter situated, placed, or constructed upon the Land or any part thereof.

Indebtedness: (i) The principal of, interest on, or other sums evidenced by the Note or the Loan Documents; (ii) any other amounts, payments, or premiums payable by Grantor to Beneficiary under the Loan Documents; (iii) such additional or future sums (whether or not obligatory), with interest thereon, as may hereafter be borrowed or advanced from Beneficiary, its successors or assigns, to Grantor, when evidenced by a promissory note which, by its terms, is secured hereby (it being contemplated by Grantor and Beneficiary that such future indebtedness may be incurred); (iv) payment of all sums, including without limitation, all agreements between the Grantor and the Beneficiary with respect to any swap, forward, future, or derivative transaction or option or similar agreement involving, or settled by reference to, one or more interest rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value (any such indebtedness may be evidenced by note, open account, endorsement, guaranty, overdraft, contract or otherwise); (v) any and all other indebtedness, obligations, and liabilities of any kind or character of Grantor to Beneficiary as set forth in the Loan Documents, now or hereafter existing, absolute or contingent, due or not due, arising by operation of law or otherwise, or direct or indirect, primary or secondary, joint, several, joint and several, fixed or contingent, secured or unsecured by additional or different security or securities, voluntarily or involuntarily incurred, known or unknown, or originally payable to Beneficiary, including, without limitation, (A) late charges, loan fees or charges, and overdraft indebtedness, (B) costs incurred by Beneficiary in establishing, determining, continuing or defending the validity or priority of any lien securing the payment of any Indebtedness or in pursuing any of its rights or remedies under any Loan Document or in connection with any proceeding involving Beneficiary as a result of any financial accommodation to Grantor, (C) debts, obligations and liabilities for which Grantor would otherwise be liable to Beneficiary were it not for the invalidity or unenforceability of them by reason of any Debtor Relief Laws or for any other reason, and (D) reasonable costs and expenses of attorneys and paralegals, whether any suit or other action is instituted, and court costs if suit or action is instituted, (whether any such fees, costs or expenses are incurred at the trial court level or on appeal,

in any Debtor Relief Laws proceeding, in administrative proceedings, in probate proceedings or otherwise); and (vi) any and all renewals, modifications, amendments, restatements, rearrangements, consolidations, substitutions, replacements, enlargements, and extensions of any of the foregoing, it being contemplated by Grantor and Beneficiary that Grantor may hereafter become indebted to Beneficiary in further sum or sums. Notwithstanding the foregoing provisions of this definition, this Deed of Trust and the other Loan Documents shall not secure any such other Indebtedness or any other loan, advance, debt, obligation or liability with respect to which Beneficiary is by applicable law prohibited from obtaining a lien on real estate. Further, the term "Indebtedness" shall not operate or be effective to constitute or require any assumption or payment by any person, in any way, of any debt or obligation of any other person to the extent that the same would violate or exceed the limit provided in any applicable usury or other law or include any consumer loan to the extent treatment of such loan or extension of credit as part of the Indebtedness would violate any governmental requirement.

Land: The real property or interest therein described in Exhibit "A" attached hereto and incorporated herein by this reference, together with all right, title, interest, and privileges of Grantor in and to (i) all streets, ways, roads, alleys, easements, rights of way, licenses, rights of ingress and egress, vehicle parking rights and public places, existing or proposed, abutting, adjacent, used in connection with or pertaining to such real property or the improvements thereon; (ii) any strips or gores of real property between such real property and abutting or adjacent properties; (iii) all water and water rights, timber and crops pertaining to such real estate; and (iv) all appurtenances and all reversions and remainders in or to such real property.

Leases: Any and all leases, master leases, subleases, licenses, concessions, or other agreements (written or oral, now or hereafter in effect) entered into by Grantor which grant to third parties a possessory interest in and to, or the right to use, all or any part of the Mortgaged Property, together with all security and other deposits or payments made in connection therewith.

Legal Requirements: (i) Any and all present and future judicial decisions, statutes (including Architectural Barrier Laws, Anti-Terrorism Laws and Environmental Laws), orders, rulings, rules, regulations, permits, certificates, or ordinances of any Governmental Authority in any way applicable to Grantor, any Constituent Party, any Guarantor or the Mortgaged Property, including, without limiting the generality of the foregoing, the ownership, use, occupancy, possession, operation, maintenance, alteration, repair, or reconstruction thereof, (ii) any and all covenants, conditions, and restrictions contained in any deeds, other forms of conveyance, or in any other instruments of any nature that relate in any way or are applicable to the Mortgaged Property or the ownership, use, or occupancy thereof, (iii) Grantor's or any Guarantor's presently or subsequently effective bylaws and articles of incorporation, operating agreement and articles of organization or partnership, limited partnership, joint venture, trust, or other form of business association agreement, (iv) any and all Leases, (v) any and all Contracts, and (vi) any and all leases, other than those described in (iv) above, and other contracts (written or oral), other than those

described in (v) above, of any nature that relate in any way to the Mortgaged Property and to which Grantor or any Guarantor may be bound, including, without limiting the generality of the foregoing, any lease or other contract pursuant to which Grantor is granted a possessory interest in and to the Land and/or the Improvements.

Loan Agreement: The Loan Agreement of dated even date herewith by and between the Grantor and Beneficiary.

Loan Documents: The Note, this Deed of Trust, the Assignment, the Loan Agreement, the Guaranty, if any, and any and all other documents now or hereafter executed by the Grantor, Guarantor, or any other Person in connection with the Loan evidenced by the Note or in connection with the payment of the Indebtedness or the performance and discharge of the Obligations.

Material Adverse Effect: As defined in the Loan Agreement.

Maximum Lawful Rate: As defined in Section 12.11 hereof.

Minerals: All substances in, on, or under the Land which are now, or may become in the future, intrinsically valuable and which now or may be in the future enjoyed through extraction or removal from the property, including without limitation, oil, gas, and all other hydrocarbons, coal, lignite, carbon dioxide and all other nonhydrocarbon gases, uranium and all other radioactive substances, and gold, silver, copper, iron and all other metallic substances or ores.

Mortgaged Property: The Land, Minerals, Fixtures, Improvements, Personalty, Contracts, Leases, and Rents, and any interest of Grantor now owned or hereafter acquired in and to the Land, Minerals, Fixtures, Improvements, Personalty, Contracts, Leases, and Rents, together with any and all other security and collateral of any nature whatsoever, now or hereafter given for the repayment of the Indebtedness or the performance and discharge of the Obligations. As used in this Deed of Trust, the term "Mortgaged Property" shall be expressly defined as meaning all or, where the context permits or requires, any portion of the above and all or, where the context permits or requires, any interest therein.

Note: That certain Term Promissory Note of dated even date herewith, incorporated herein by this reference, executed by Grantor and payable to the order of Beneficiary in the principal amount of TWENTY-SEVEN MILLION NINE HUNDRED THOUSAND AND NO/100 DOLLARS (\$27,900,000.00), scheduled to mature in June of 2029 and secured by, among other things, this Deed of Trust; and any and all renewals, modifications, rearrangements, reinstatements, enlargements, or extensions of such promissory note or of any promissory note or notes given in renewal, substitution or replacement therefor.

Obligations: Any and all of the covenants, conditions, warranties, representations, and other obligations (other than to repay the Indebtedness) made or undertaken by Grantor to Beneficiary as set forth in the Loan Documents.

Permitted Exceptions: The liens, easements, restrictions, security interests, and other matters (if any) as reflected on Exhibit "B" attached hereto and incorporated herein by reference and the liens and security interests created by the Loan Documents and Permitted Easements (as defined in the Loan Agreement).

Personalty: All of the right, title, and interest of Grantor in and to (i) furniture, furnishings, equipment, machinery, goods (including, but not limited to, crops, farm products, timber and timber to be cut, and extracted Minerals); (ii) general intangibles, money, insurance proceeds, accounts, contract and subcontract rights, trademarks, tradenames, inventory; (iii) all refundable, returnable, or reimbursable fees, deposits or other funds or evidences of credit or indebtedness deposited by or on behalf of Grantor with any Governmental Authority, including specifically, but without limitation, all refundable, returnable, or reimbursable tap fees, utility deposits, commitment fees and development costs, any awards, remunerations, reimbursements, settlements, or compensation heretofore made or hereafter to be made by any Governmental Authority pertaining to the Land, Improvements, Fixtures or Contracts, including but not limited to those for any vacation of, or change of grade in, any streets affecting the Land or the Improvements and those for municipal utility district or other utility costs incurred or deposits made in connection with the Land; and (iv) all other personal property of any kind or character as defined in and subject to the provisions of the UCC (Article 9 Secured Transactions); any and all of which are now owned or hereafter acquired by Grantor, and which are now or hereafter situated in, on, or about the Land or the Improvements, or used in the planning, development, construction, financing, use, occupancy, or operation thereof, or acquired (whether delivered to the Land or stored elsewhere) for use in or on the Land or the Improvements, together with all accessions, replacements, and substitutions thereto or therefor and the proceeds thereof. But excepting from the foregoing all articles of personal property and trade fixtures, all general intangibles, tradenames, and trademarks belonging to lessees or other occupants of the Mortgaged Property and Improvements. Additionally, notwithstanding any provision of this Deed of Trust, if any building located on the Land is now or hereinafter located in a "Special Flood Hazard Area" as that term is now or hereinafter defined at Title 12 Code of Federal Regulations Section 339.2(k), this Deed of Trust shall not create a nonpossessory security interest in, and the collateral or the Mortgaged Property shall not include, any personal property located within such building EXCEPT the following fixtures, machinery, and equipment: a. awnings and canopies; b. blinds; c. carpet permanently installed over unfinished flooring; d. central air conditioners; e. elevator equipment; f. fire extinguishing apparatus; g. fire sprinkler systems; h. walk-in freezers; i. furnaces; j. light fixtures; k. outdoor antennas and aerials fastened or attached to buildings; l. permanently installed cupboards, bookcases, paneling, and wallpaper; m. pumps and machinery for operating pumps; n. ventilating equipment; o. wall mirrors, permanently installed; and p. (to the extent that the collateral or Mortgaged Property includes a building that includes condominium units), the following appliances installed in such units: (1) built-in dishwashers; (2) built-in microwave ovens; (3) garbage disposal units; (4) hot water heaters, including solar water heaters; (5) kitchen cabinets; (6) plumbing fixtures; (7) radiators; (8) ranges; (9) refrigerators; and (10) stoves. Grantor may grant Beneficiary security interests in additional personal property not encumbered by

this Deed of Trust by executing other security agreements. All Personalty are deemed to be part of, and not severable without material injury to, the Land.

Prohibited Person: Any Person that (i) is specifically named or listed in, or otherwise subject to, any Anti-Terrorism Laws or (ii) is owned or controlled by, or acting for or on behalf of any Person specifically named or listed in, or otherwise subject to, any Anti-Terrorism Laws.

RCW: The Revised Code of the state of Washington.

Remedial Work: Any investigation, site monitoring, containment, cleanup, removal, restoration, or other work of any kind or nature reasonably necessary under any applicable Environmental Law in connection with the current or future presence, suspected presence, release, or suspected release of a Hazardous Substance in or into the air, soil, ground water, surface water, or soil vapor at, on, about, under, or within the Mortgaged Property, or any part thereof.

Rents: All of the rents, royalties, issues, bonus monies, revenues, income, proceeds, profits, security and other types of deposits (after Grantor acquires title thereto), and other benefits paid or payable by parties to the Leases to Grantor, for using, leasing, licensing, possessing, operating from, residing in, selling, or otherwise enjoying all or any portion of the Mortgaged Property.

Subordinate Mortgage: Any mortgage, deed of trust, pledge, lien (statutory, constitutional, or contractual), security interest, encumbrance or charge, or conditional sale or other title retention agreement, covering all or any portion of the Mortgaged Property executed and delivered by Grantor, the lien of which is subordinate and inferior to the lien of this Deed of Trust.

Tax Code: The U.S. Internal Revenue Code of 1986, as amended, any and all U.S. Department of Treasury Regulations issued pursuant thereto in temporary or final form, and any and all federal, state, county, municipal and city rules and rulings, notices, requirements, statutes, regulations or laws governing or relating to taxes and/or taxation, and any and all successor statutes thereof.

Trustee: The entity described as Trustee in the initial paragraph of this Deed of Trust.

UCC: The Uniform Commercial Code, as amended from time to time, in effect in the state in which the Mortgaged Property is located.

1.2 Additional Definitions. As used herein, the following terms shall have the following meanings:

(a) “Hereof,” “hereby,” “hereto,” “hereunder,” “herewith,” and similar terms mean of, by, to, under and with respect to, this Deed of Trust or to the other documents or matters being referenced.

(b) “Heretofore” means before, “hereafter” means after, and “herewith” means concurrently with, the date of this Deed of Trust.

(c) All pronouns, whether in masculine, feminine or neuter form, shall be deemed to refer to the object of such pronoun whether same is masculine, feminine or neuter in gender, as the context may suggest or require.

(d) All terms used herein, whether or not defined in Section 1.1 hereof, and whether used in singular or plural form, shall be deemed to refer to the object of such term whether such is singular or plural in nature, as the context may suggest or require.

Any capitalized term used and not defined in this Deed of Trust shall have the meaning given such term in the Loan Agreement.

ARTICLE II

GRANT

2.1 Grant. To secure the full and timely payment of the Indebtedness and the full and timely performance and discharge of the Obligations, Grantor has GRANTED, BARGAINED, SOLD and CONVEYED, and by these presents does GRANT, BARGAIN, SELL and CONVEY, unto Trustee, in trust for the benefit of Beneficiary, with power of sale, the Mortgaged Property, subject, however, to the Permitted Exceptions, TO HAVE AND TO HOLD the Mortgaged Property unto Trustee, forever, and Grantor does hereby bind itself, its successors, and assigns to WARRANT AND FOREVER DEFEND the title to the Mortgaged Property unto Trustee against every person whomsoever lawfully claiming or to claim the same or any part thereof; provided, however, that if Grantor shall pay (or cause to be paid) the Indebtedness in accordance with the terms of the Loan Documents and shall fully perform and discharge (or cause to be fully performed and discharged) the Obligations on or before the date same are to be performed and discharged in accordance with the terms of the Loan Documents, then the liens, security interests, estates, and rights granted by the Loan Documents shall terminate and can be cancelled of record, in accordance with the provisions hereof, otherwise same shall remain in full force and effect. A certificate or other written statement executed on behalf of Trustee or Beneficiary confirming that the Indebtedness has not been fully paid or the Obligations have not been fully performed or discharged shall be sufficient evidence thereof for the purpose of reliance by third parties on such fact.

ARTICLE III

WARRANTIES AND REPRESENTATIONS

Grantor hereby unconditionally warrants and represents to Beneficiary, as of the date hereof, as follows:

3.1 Organization and Power. If Grantor or any Constituent Party is a corporation, general partnership, limited liability company, limited partnership, joint venture, trust, or other type of business association, as the case may be, Grantor and any Constituent Party, if any, (a) is either a corporation duly incorporated with a legal status separate from its affiliates, or a partnership or trust, joint venture or other type of business association duly organized, validly existing, and in good standing under the laws of the state of its formation or existence, and has complied with all conditions prerequisite to its doing business in the state in which the Mortgaged Property is located, and (b) has all requisite power and all governmental certificates of authority, licenses, permits, qualifications, and documentation to own, lease, and operate its properties and to carry on its business as now being, and as proposed to be, conducted.

3.2 Validity of Loan Documents. The execution, delivery, and performance by Grantor of the Loan Documents (other than the Guaranty), (a) if Grantor, or any signatory who signs on its behalf, is a corporation, general partnership, limited liability company, limited partnership, joint venture, trust, or other type of business association, as the case may be, are within Grantor's and, to Grantor's actual knowledge, each Constituent Party's powers and have been duly authorized by Grantor's and each Constituent Party's board of directors, shareholders, partners, venturers, trustees, or other necessary parties, and all other requisite action for such authorization has been taken, (b) to Grantor's actual knowledge, have received any and all requisite prior governmental approvals in order to be legally binding and enforceable in accordance with the terms thereof, and (c) to Grantor's actual knowledge, will not violate, be in conflict with, result in a breach of, or constitute (with due notice or lapse of time, or both) a default under or violation of any Legal Requirement or result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever upon any of Grantor's and any Constituent Party's property or assets, except as contemplated by the provisions of the Loan Documents.

3.3 Information. All information, financial statements, reports, papers, and data given or to be given to Beneficiary with respect to Grantor and, to Grantor's actual knowledge, each Constituent Party under the terms of the Loan Documents, or the Mortgaged Property are, or at the time of delivery will be, accurate, complete, and correct in all material respects and do not, or will not, omit any material fact, the inclusion of which is necessary to prevent the facts contained therein from being materially misleading. Since the date of the most recent financial statements of Grantor and any Constituent Party were delivered to Lender, no Material Adverse Effect has occurred.

3.4 Title and Lien. Grantor has good and indefeasible title to the Land (in fee simple) and Improvements, and good and marketable title to the Fixtures and Personalty, free and clear as of the date of this Agreement, of any liens, charges, encumbrances, security interests, claims,

easements, restrictions, options, leases (other than the Leases), covenants, and other rights, titles, interests, or estates of any nature whatsoever, except the Permitted Exceptions and such other liens as are permitted pursuant to the Loan Documents. To Grantor's knowledge, this Deed of Trust constitutes a valid, subsisting first lien on the Land, the Improvements, and the Fixtures; a valid, subsisting first priority security interest in and to the Personalty, Contracts, and to the extent that the terms Leases and Rents include items covered by the UCC, in and to the Leases and Rents; and a valid, subsisting first priority assignment of the Leases and Rents not covered by the UCC, all of the foregoing, in each instance in accordance with the terms hereof and subject to the Permitted Exceptions.

3.5 Business Purposes. The Loan evidenced by the Note is solely for the purpose of carrying on or acquiring a business of Grantor, and is not for personal, family, household, or agricultural purposes. The Mortgaged Property forms no part of any property owned, used or claimed by Grantor as a residence or business homestead and is not exempt from forced sale under the laws of the State in which the Mortgaged Property is located. Grantor hereby disclaims and renounces each and every claim to all or any portion of the Mortgaged Property as a homestead.

3.6 Taxes. Grantor and, to Grantor's actual knowledge, each Constituent Party have filed all federal, state, county, municipal, and city income and other tax returns required to have been filed by them (or filed appropriate extensions) and have paid all taxes and related liabilities which have become due pursuant to such returns or pursuant to any assessments received by them. Neither Grantor nor any Constituent Party has actual knowledge of any basis for any additional assessment in respect of any such taxes and related liabilities.

3.7 Mailing Address. Grantor's mailing address, as set forth in the opening paragraph hereof or as changed pursuant to the provisions hereof, is true and correct.

3.8 Relationship of Grantor and Beneficiary. The relationship between Grantor and Beneficiary is solely that of debtor and creditor, and Beneficiary has no fiduciary or other special relationship with the Grantor, and no term or condition of any of the Loan Documents shall be construed so as to deem the relationship between Grantor and Beneficiary to be other than that of debtor and creditor.

3.9 No Reliance on Beneficiary. Grantor is knowledgeable about the ownership and operation of properties similar to the Mortgaged Property, and Grantor and Beneficiary have and are relying solely upon Grantor's expertise and business plan in connection with the ownership and operation of the Mortgaged Property. Grantor is not relying on Beneficiary's expertise or business acumen in connection with the Mortgaged Property.

3.10 RESERVED.

3.11 No Litigation. Except as disclosed in writing to Beneficiary, there are no (i) actions, suits, or proceedings, at law or in equity, before any Governmental Authority or arbitrator pending or, to Grantor's actual knowledge, threatened against or affecting Grantor or any Constituent Party or involving the Mortgaged Property, (ii) outstanding or unpaid judgments against the Grantor, any Constituent Party, or the Mortgaged Property, or (iii) defaults by Grantor with respect to any DEED OF TRUST (WA) - Page 11

order, writ, injunction, decree, or demand of any Governmental Authority or arbitrator, each of (i), (ii) and (iii) which would cause a Material Adverse Effect.

3.12 ERISA. Grantor is not an “employee benefit plan,” as defined in Section 3(3) of ERISA, which is subject to Title I of ERISA and the assets of Grantor do not constitute “plan assets” of one or more such plans within the meaning of 29 C.F.R. § 2510.3-101 (1998).

3.13 Money Laundering; Anti-Terrorism Laws.

(a) Contemporaneous herewith the Grantor has supplied to the Beneficiary a true and complete list of the material direct, indirect and beneficial owners of each of LM Logistics REIT II, a Texas real estate investment trust, and Grantor.

(b) None of Grantor nor, to Grantor’s knowledge, any Constituent Party (nor any person or entity owning a controlling interest in Grantor, or any Constituent Party) (i) is a Prohibited Person, or (ii) has violated any Anti-Terrorism Laws. To Grantor’s actual knowledge, no Prohibited Person holds or owns any interest of any nature whatsoever in Grantor or any Constituent Party, as applicable, and none of the funds of Grantor or any Constituent Party have been derived from any activity in violation of Anti-Terrorism Laws.

3.14 No Foreign Person. Borrower is not a “foreign person” within the meaning of § 1445(f)(3) of the Tax Code.

ARTICLE IV

AFFIRMATIVE COVENANTS

Grantor hereby unconditionally covenants and agrees with Beneficiary, until the entire Indebtedness shall have been paid in full and all of the Obligations shall have been fully performed and discharged as follows:

4.1 Payment and Performance. Grantor will pay the Indebtedness as and when specified in the Loan Documents, and will perform and discharge all of the Obligations, in full and on or before the dates same are to be performed.

4.2 Existence. Grantor will and will cause each Constituent Party to preserve and keep in full force and effect its existence (separate and apart from its affiliates), rights, franchises, and trade names.

4.3 Compliance with Legal Requirements. Grantor will promptly and faithfully comply with, conform to, and obey all Legal Requirements in all material respects, whether the same shall necessitate structural changes in, improvements to, or interfere with the use or enjoyment of, the Mortgaged Property.

4.4 First Lien Status. Grantor will protect the first lien and security interest status of this Deed of Trust and the other Loan Documents and, except as otherwise permitted in the Loan

Documents, will not permit to be created or to exist in respect of the Mortgaged Property or any part thereof any lien or security interest on a parity with, superior to, or inferior to any of the liens or security interests hereof, except for the Permitted Exceptions. Notwithstanding anything in this Section 4.4 or elsewhere in this Deed of Trust to the contrary, Grantor shall have the right, in good faith and by appropriate proceedings, to contest the validity, applicability or amount, as applicable, of any liens arising from the claims and demands of mechanics, laborers and others and will not be deemed in default hereunder or under any Loan Documents; provided, however, that such contest must stay or prevent a proceeding which may impair or divest Grantor of title to the Mortgaged Property or which may affect the priority of the lien granted under this Deed of Trust and Beneficiary may, as a condition to such right to contest, require Grantor to provide Beneficiary with (i) a cash deposit in the amount of the difference between the unfunded amount in the budget for the disputed work and the amount of the lien, (ii) a title insurance endorsement over the lien, or (iii) evidence of the posting of a statutory lien bond and the removal of the applicable lien, in either case within thirty (30) days following Grantor's receipt of notice of the date on which the lien is recorded against the Mortgaged Property (which escrow or security will be returned to Grantor upon payment of the Impositions or such portion thereof as is determined to be owed by Grantor). Grantor shall promptly cause to be paid any amount adjudged by a court of competent jurisdiction to be due, with all costs, penalties and interest, promptly after the judgment becomes final.

4.5 Payment of Impositions. Grantor will duly pay and discharge, or cause to be paid and discharged, the Impositions not later than the earlier to occur of (i) the day any fine, penalty, interest, or cost may be added thereto or imposed, or (iii) the day any lien may be filed for the nonpayment thereof (if such day is used to determine the due date of the respective item), and, upon written request, Grantor shall deliver to Beneficiary a written receipt evidencing the payment of the respective Imposition. Notwithstanding anything in this Section 4.5 or elsewhere in this Deed of Trust to the contrary, Grantor shall have the right, in good faith and by appropriate proceedings, to contest the validity, applicability or amount, as applicable, of any Impositions and will not be deemed in default hereunder or under any Loan Documents; provided, however, that such contest must stay or prevent a proceeding which may impair or divest Grantor of title to the Mortgaged Property or which may affect the priority of the lien granted under this Deed of Trust and Beneficiary may, as a condition to such right to contest, require Grantor to establish an escrow or give other security adequate in Beneficiary's reasonable discretion to compensate Beneficiary for any loss, cost or expense which it may suffer or incur as a result of such divestiture or impairment of title or invalidity or loss of priority of the liens created by this Deed of Trust (which escrow or security will be returned to Grantor upon payment of the Impositions or such portion thereof as is determined to be owed by Grantor). Grantor shall promptly cause to be paid any amount adjudged by a court of competent jurisdiction to be due, with all costs, penalties and interest, promptly after the judgment becomes final; provided, however, that in any event each contest must be concluded and the sums due must be paid prior to the date any writ or order is issued under which the Mortgaged Property may be sold.

4.6 Repair. Grantor will keep the Mortgaged Property in high quality order and condition, ordinary wear and tear excepted, and will make all repairs, replacements, renewals, additions, betterments, improvements, and alterations thereof and thereto, interior and exterior,

structural and nonstructural, ordinary and extraordinary, foreseen and unforeseen, which are necessary or reasonably appropriate to keep same in such order and condition, subject to the receipt of insurance proceeds in accordance with the terms hereof to the extent Beneficiary is obligated to make such proceeds available. Grantor will use commercially reasonable efforts to prevent any act, occurrence, or neglect which might impair the value or usefulness of the Mortgaged Property for its intended usage. In instances where repairs, replacements, renewals, additions, betterments, improvements, or alterations are required in and to the Mortgaged Property on an emergency basis to prevent loss, damage, waste, or destruction thereof, Grantor shall proceed to repair, replace, add to, better, improve, or alter same, or cause same to be repaired, replaced, added to, bettered, improved, or altered to the extent needed to prevent such loss, damage, waste or destruction, notwithstanding anything to the contrary contained in Section 5.2 hereof; provided, however, that in instances where such emergency measures are to be taken, Grantor will notify Beneficiary in writing of the commencement of same and the measures to be taken, and, when same are completed, the completion date and the measures actually taken.

4.7 Insurance.

(a) Grantor shall, at Grantor's own expense, comply with Grantor's obligations pursuant to the Loan Agreement to obtain, maintain and keep (or cause to be obtained, maintained and kept) in full force and effect, at all times prior to the full payment and satisfaction of all Obligations, insurance coverage with respect to the Mortgaged Property and activities conducted thereon, all as more particularly set forth in the Loan Agreement.

(b) **COLLATERAL PROTECTION INSURANCE NOTICE:**
(A) GRANTOR IS REQUIRED TO (i) KEEP THE MORTGAGED PROPERTY INSURED AGAINST DAMAGE AS REQUIRED BY THE LOAN AGREEMENT; (ii) PURCHASE THE INSURANCE FROM AN INSURER THAT IS AUTHORIZED TO DO BUSINESS IN THE STATE OF WASHINGTON OR AN ELIGIBLE SURPLUS LINES INSURER OR OTHERWISE AS PROVIDED HEREIN; AND (iii) NAME BENEFICIARY AS THE PERSON TO BE PAID UNDER THE POLICY IN THE EVENT OF A LOSS AS PROVIDED HEREIN; (B) SUBJECT TO THE PROVISIONS HEREOF, GRANTOR MUST, IF REQUIRED BY BENEFICIARY IN WRITING, DELIVER TO BENEFICIARY A COPY OF THE POLICY AND PROOF OF THE PAYMENT OF PREMIUMS; AND (C) SUBJECT TO THE PROVISIONS HEREOF, IF GRANTOR FAILS TO MEET ANY REQUIREMENT LISTED IN THE FOREGOING SUBPARTS (A) OR (B), BENEFICIARY MAY OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF GRANTOR AT GRANTOR'S EXPENSE.

4.8 Inspection. Grantor will permit Trustee and Beneficiary, and their agents, representatives, and employees, subject to the rights of tenants leasing space in the building(s) situated on the Mortgaged Property, to inspect the Mortgaged Property at all reasonable times, the areas of the Mortgaged Property which are open to the public with reasonable prior notice to Grantor. Subject to the rights of tenants under Leases, Beneficiary may inspect all other areas of

the Mortgaged Property during regular business hours upon at least 48 hours prior written notice to Grantor.

4.9 Property Reports. Grantor will maintain full and accurate books in all material respects of account and other records reflecting the results of the operations of the Mortgaged Property in the manner required in the Loan Agreement.

4.10 Financial Statements. The Borrower will furnish or cause to be furnished to Beneficiary the financial statements called for in the Loan Agreement.

4.11 Payment for Labor and Materials. Subject to Grantor's right to contest payments and liens as provided in the Loan Documents, Grantor will promptly pay or cause to be paid all bills for labor, materials, and specifically fabricated materials incurred by Beneficiary in connection with the Mortgaged Property and never permit to exist in respect of the Mortgaged Property or any part thereof any lien or security interest, even though inferior to the liens and security interests hereof, for any such bill, and in any event never permit to be created or exist in respect of the Mortgaged Property or any part thereof any other or additional lien or security interest on a parity with, superior, or inferior to any of the liens or security interests hereof, except for the Permitted Exceptions.

4.12 Further Assurances and Corrections. From time to time, at the request of Beneficiary, Grantor will (i) promptly correct any defect, error, or omission which may be discovered in the contents of this Deed of Trust or in any other Loan Document or in the execution or acknowledgment thereof; (ii) execute, acknowledge, deliver, record and/or file such further instruments (including, without limitation, further deeds of trust, security agreements, financing statements, continuation statements and assignments of rents or leases) and perform such further acts and provide such further assurances as may be necessary, desirable, or proper, in Beneficiary's reasonable opinion, to carry out the purposes of this Deed of Trust and the Loan Documents and to subject to the liens and security interests hereof and thereof any property intended by the terms hereof or thereof to be covered hereby or thereby, including without limitation, any renewals, additions, substitutions, replacements, or appurtenances to the Mortgaged Property; (iii) execute, acknowledge, deliver, procure, file, and/or record any document or instrument (including without limitation, any financing statement) deemed advisable by Beneficiary in the exercise of their reasonable business judgment as a prudent lender to protect the liens and the security interests herein granted against the rights or interests of third persons; and (iv) pay all reasonable costs connected with any of the foregoing within ten (10) Business Days after written request.

4.13 Tax on Deed of Trust. At any time any law shall be enacted imposing or authorizing the imposition of any tax upon this Deed of Trust, or upon any rights, titles, liens, or security interests created hereby, or upon the Indebtedness or any part thereof, Grantor will immediately pay all such taxes, provided: (i) Beneficiary imposes such charges on all of its similarly situated borrowers whose loans generate such taxes, and (ii) Beneficiary imposes such charges retroactively no more than 90 days prior to notice of the charges being imposed. If Beneficiary becomes entitled to claim any taxes pursuant to this section, Beneficiary shall provide Grantor with not less than thirty (30) days' written notice specifying in reasonable detail the event or

circumstance by reason of which it has become so entitled and the additional amount required to fully-compensate Beneficiary for such increased taxes. Notwithstanding the foregoing, if such law as enacted makes it unlawful for Grantor to pay such tax, Grantor shall not pay nor be obligated to pay such tax and failure to pay such tax shall not be an Event of Default.

4.14 Statement of Unpaid Balance. Grantor will furnish upon ten (10) Business Days following receipt of the written request of Beneficiary, a written statement or affidavit, in form reasonably satisfactory to Beneficiary, stating the unpaid balance of the Indebtedness.

4.15 Expenses. Subject to the provisions of Section 12.10 hereof, Grantor will pay within ten (10) Business Days after written demand all reasonable and bona fide out of pocket costs, fees, and expenses and other expenditures, including, but not limited to, reasonable attorneys' fees and expenses, paid or incurred by Beneficiary to third parties incident to this Deed of Trust or any other Loan Document (including without limitation, reasonable attorneys' fees and expenses in connection with the negotiation, preparation, and execution hereof and of any other Loan Document and any amendment hereto or thereto, any release hereof, any consent, approval or waiver hereunder or under any other Loan Document, the making of any advance under the Note, and any suit to which Beneficiary or Trustee is a party involving this Deed of Trust or the Mortgaged Property) or incident to the enforcement of the Indebtedness or the exercise of any right or remedy of Beneficiary under any Loan Document.

4.16 Address. Grantor shall give written notice to Beneficiary and Trustee of any change of address of Grantor at least five (5) days prior to the effective date of such change of address. Absent such official written notice of a change in address for Grantor, then Beneficiary and Trustee shall be entitled for all purposes under the Loan Documents to rely upon Grantor's address as set forth in the initial paragraph of this Deed of Trust, as same may have been theretofore changed in accordance with the provisions hereof.

4.17 Disclosures. If at any time Grantor shall become aware of the existence or occurrence of any financial or economic conditions or natural disasters which would be reasonably likely to have a Material Adverse Effect, Grantor shall promptly notify Beneficiary of the existence or occurrence thereof and of Grantor's opinion as to what effect such may have on the Mortgaged Property or Grantor. If Grantor becomes aware of any of the following, Grantor shall also give prompt notice to Beneficiary of (i) reserved, (ii) any litigation or dispute, threatened or pending against or affecting Grantor or the Mortgaged Property which would be reasonably likely to have a Material Adverse Effect, (iii) any Event of Default continuing beyond any applicable grace period, (iv) any material default beyond all applicable notice and cure periods by Grantor or any acceleration of any indebtedness owed by Grantor under any material contract to which Grantor is a party, (v) reserved, and (vi) any material change in the character of Grantor's business as it existed on the date hereof.

4.18 ERISA. If and to the extent that Grantor sponsors, or has any obligation with respect to any employee pension benefit plan as defined in Section 3(2) of ERISA ("Plan"), Grantor shall fully discharge and satisfy all of its obligations, including the minimum funding requirements under such Plan, ERISA and the Tax Code. Furthermore, Grantor shall comply in

all material respects with any and all applicable provisions of ERISA and the Tax Code and will not incur or permit to exist any unfunded liabilities to the Pension Benefit Guaranty Corporation ("PBGC"), except with respect to PBGC premium amounts not yet due and payable. As soon as reasonably possible but in any event not later than 30 days after Grantor knows that any event which would constitute a reportable event under § 4043(b) of Title IV of ERISA with respect to any Plan has occurred, or that the PBGC has instituted or will institute proceedings under ERISA to terminate that Plan, Grantor will deliver to Beneficiary a certificate of a responsible officer of Grantor setting forth details as to such reportable event and the action which Grantor or an affiliate of Grantor (as defined under ERISA), as the case may be, proposes to take with respect to same, together with a copy of any notice of such reportable event that may be required to be filed with the PBGC, or any notice delivered by the PBGC evidencing its intent to institute those proceedings or any notice to the PBGC that the plan is to be terminated, as the case may be. For all purposes of this Section 4.18, Grantor is deemed to have all knowledge of all facts attributable to the plan administrator of any Plan under ERISA.

4.19 Delivery of Contracts. Grantor will deliver to Beneficiary a true, correct and complete copy in all material respects of any material Contract, the contract price of which exceeds \$500,000.00, promptly after the execution of same by all parties thereto. Within twenty (20) days after a written request by Beneficiary, Grantor shall prepare and deliver to Beneficiary a complete listing of all material Contracts, showing date, term, parties, subject matter, concessions, whether any defaults exist beyond all notice and cure periods, and other reasonable information specified by Beneficiary, of or with respect to each of such Contracts.

4.20 Environmental and Hazardous Substances. Grantor will:

(a) not use, generate, manufacture, produce, store, release, discharge, treat, or dispose of on, under, from or about the Mortgaged Property or transport to or from the Mortgaged Property any Hazardous Substance or allow any other person or entity to do so except in accordance with Environmental Law;

(b) keep and maintain the Mortgaged Property in compliance with, and shall not cause or permit the Mortgaged Property to be in violation of, any Environmental Law in any material respect;

(c) give prompt written notices to Beneficiary, upon Grantor becoming aware, of: (i) any proceeding or written inquiry by any governmental or nongovernmental entity or person with respect to the presence of any Hazardous Substance on, under, from or about the Mortgaged Property, the migration thereof from or to other property, the disposal, storage, or treatment of any Hazardous Substance generated or used on, under or about the Mortgaged Property, (ii) all claims made or threatened in writing by any third party against Grantor or the Mortgaged Property or any Property Manager of the Mortgaged Property relating to any loss or injury resulting from any Hazardous Substance, and (iii) Grantor's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Mortgaged Property that could cause the Mortgaged Property or any part thereof to

be subject to any investigation or cleanup of the Mortgaged Property pursuant to any Environmental Law;

(d) permit Beneficiary to join and participate in, as a party if it so elects, any legal proceedings or actions initiated with respect to the Mortgaged Property in connection with any Environmental Law or Hazardous Substance, and Grantor shall pay all reasonable attorneys' fees incurred by Beneficiary in connection therewith; and

(e) in the event that any Remedial Work is necessary under Environmental Law, Grantor shall commence or cause to be commenced, within thirty (30) days after Beneficiary's demand therefore, and Grantor's receipt of all governmental permits or approvals needed to perform such Remedial Work, and thereafter diligently prosecute, or cause to be prosecuted, to completion all such Remedial Work within such time as may be required under any Legal Requirement. All Remedial Work shall be performed by contractors approved in advance by Beneficiary (which approval shall not be unreasonably withheld, conditioned or delayed), and under the supervision of a consulting engineer approved by Beneficiary (which approval shall not be unreasonably withheld, conditioned or delayed). All costs and expenses of such Remedial Work shall be paid by Grantor including, without limitation, Beneficiary's reasonable attorneys' fees and costs reasonably incurred in connection with monitoring or review of such Remedial Work. In the event Grantor shall fail to timely commence, or cause to be commenced, or fail to diligently prosecute to completion, such Remedial Work, Beneficiary may, but shall not be required to, cause such Remedial Work to be performed, and all reasonable costs and expenses thereof, or incurred in connection therewith, shall become part of the Indebtedness.

4.21 Additional Covenants Concerning Property Taxes. In addition to the provisions above regarding the payment of Impositions, without the prior written consent of the Beneficiary, Grantor shall not authorize any person or entity to pay current or delinquent ad valorem taxes due or to become due on the Mortgaged Property if such person or entity is entitled to receive a transfer of tax lien under any applicable Governmental Authority (as it may be amended or modified). Subject to Grantor's right to contest the payment of Impositions as provided in this Agreement, if Grantor fails to pay any taxes and assessments (including interest, penalties, costs and expenses) against the Mortgaged Property as and when payable, enters into a tax lien loan to any person or entity or allows any person or entity to receive a transfer of an ad valorem tax lien, Beneficiary may in Beneficiary's sole discretion, in addition to Beneficiary's other rights as provided in this Deed of Trust and the other Loan Documents, elect to advance and pay the same upon written notice to Grantor at Grantor's expense.

ARTICLE V

NEGATIVE COVENANTS

Grantor hereby unconditionally covenants and agrees with Beneficiary until the entire Indebtedness shall have been paid in full and all of the Obligations shall have been fully performed and discharged as follows:

5.1 Use Violations. Grantor will not use, maintain, operate, or occupy, or allow the use, maintenance, operation, or occupancy of, the Mortgaged Property in any manner which (i) violates any Legal Requirement in any material respect, (ii) constitutes a public or private nuisance, or (iii) makes void, voidable, or cancelable, or materially increases the premium of, any insurance then in force with respect thereto.

5.2 Waste; Alterations. Grantor will not commit or permit any material intentional physical waste of the Mortgaged Property and will not (subject to the provisions of Sections 4.3 and 4.6 hereof), without the prior written consent of Beneficiary (such consent not to be unreasonably withheld, conditioned or delayed), make or permit to be made any alterations or additions to the Mortgaged Property of a material nature; provided that Grantor may perform alterations required by any Leases (or any amendment thereto) made in accordance with the Loan Documents.

5.3 Replacement of Fixtures and Personalty. Grantor will not, without the prior written consent of Beneficiary, permit any of the Fixtures or Personalty of Grantor to be removed at any time from the Land or Improvements unless the removed item is removed temporarily for maintenance and repair or, if removed permanently, is replaced by an article of reasonably equivalent utility, owned by Grantor, free and clear of any lien or security interest except as may be approved in writing by Beneficiary, which approval shall not be unreasonably withheld, conditioned or delayed or pursuant to a Lease (or any amendment thereto) made in accordance with the Loan Documents.

5.4 Change in Zoning. Grantor will not seek or acquiesce in a zoning reclassification of all or any portion of the Mortgaged Property or, except for Permitted Easements, grant or consent to any easement, dedication, plat, or restriction (or allow any easement to become enforceable by prescription), or any amendment or modification or any material term thereof, covering all or any portion of the Mortgaged Property, without Beneficiary's prior written consent, which approval shall not be unreasonably withheld, conditioned or delayed.

5.5 No Drilling. To the extent the Grantor has the ability to prevent the same by undertaking commercially reasonable efforts, Grantor will not, without the prior written consent of Beneficiary, permit any drilling or exploration for or extraction, removal, or production of, any Minerals from the surface or subsurface of the Land regardless of the depth thereof or the method of mining or extraction thereof, unless and to the extent permitted by the Permitted Exceptions.

5.6 No Disposition. Grantor will not make a Disposition without obtaining Beneficiary's prior written consent to the Disposition, except for the (i) Permitted Transfers (as defined in the Loan Agreement) or (ii) a Disposition which results in the contemporaneous repayment in full of the Indebtedness secured hereby.

5.7 No Subordinate Mortgages. Subject to the terms of the Loan Agreement, Grantor will not create, place, or permit to be created or placed, or through any act or failure to act, acquiesce in the placing of, or allow to remain any Subordinate Mortgage regardless of whether

such Subordinate Mortgage is expressly subordinate to the liens or security interests of the Loan Documents with respect to the Mortgaged Property, other than the Permitted Exceptions.

5.8 Additional Obligations. Grantor shall not guarantee, endorse or otherwise become contingently liable in connection with any obligations of any other person or entity, and shall not create or incur any additional indebtedness for borrowed money, whether contingent or non-contingent, with respect to either Grantor or the Mortgaged Property, except as specifically allowed or contemplated pursuant to the Loan Documents.

5.9 Business Change. Grantor shall not make or permit to occur or exist a material change in the character of its business activities as such existed on the date hereof and as are contemplated for future ownership and operation of an industrial and logistics building, without Beneficiary's prior written consent.

ARTICLE VI

EVENTS OF DEFAULT

6.1 Events of Default. The occurrence of an Event of Default (as defined in the Loan Agreement) shall constitute an Event of Default hereunder.

ARTICLE VII

REMEDIES

7.1 Beneficiary's Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default, Beneficiary may, at Beneficiary's option, and by or through Trustee, by Beneficiary itself or otherwise, do any one or more of the following:

(a) Right to Perform Grantor's Covenants. If Grantor has failed to keep or perform any covenant whatsoever contained in this Deed of Trust or the other Loan Documents, Beneficiary may, to the fullest extent permitted by applicable Law, upon prior written notice to Grantor, but shall not be obligated to any person to do so, perform or attempt to perform said covenant, and any payment made or expense reasonably incurred in the performance or attempted performance of any such covenant shall be and become a part of the Indebtedness, and Grantor promises, within ten (10) Business Days after written demand, to pay to Beneficiary, at the place where the Note is payable, all sums so advanced or paid by Beneficiary, with interest at the Default Rate from the date ten (10) Business Days following Grantor's receipt of a written invoice and backup documentation evidencing the costs incurred by Beneficiary in curing Grantor's failure until paid. No such payment by Beneficiary shall constitute a waiver of any Event of Default. In addition to the liens and security interests hereof, Beneficiary shall be subrogated to all rights, titles, liens, and security interests securing the payment of any debt, claim, tax, or assessment for the payment of which Beneficiary may make an advance, or which Beneficiary may pay.

(b) Right of Entry. Beneficiary may, prior or subsequent to the institution of any foreclosure proceedings, to the fullest extent permitted by applicable Law and subject to the rights of any tenants, enter upon the Mortgaged Property, or any part thereof, and take exclusive possession of the Mortgaged Property and of all books, records, and accounts relating thereto and to exercise without interference from Grantor any and all rights which Grantor has with respect to the management, possession, operation, protection, or preservation of the Mortgaged Property, including without limitation the right to rent the same for the account of Grantor and to deduct from such Rents all reasonable costs, expenses, and liabilities of every character incurred by the Beneficiary in collecting such Rents and in managing, operating, maintaining, protecting, or preserving the Mortgaged Property and to apply the remainder of such Rents on the Indebtedness in such manner as Beneficiary may elect. All such costs, expenses, and liabilities incurred by the Beneficiary in collecting such Rents and in managing, operating, maintaining, protecting, or preserving the Mortgaged Property, if not paid out of Rents as hereinabove provided, shall constitute a demand obligation owing by Grantor and shall bear interest at the Default Rate from the date ten (10) Business Days following Grantor's receipt of a written invoice and backup documentation evidencing the costs incurred by Beneficiary in curing Grantor's failure until paid, all of which shall constitute a portion of the Indebtedness. If necessary to obtain the possession provided for above, the Beneficiary may invoke any and all legal remedies to dispossess Grantor, including specifically one or more actions for forcible entry and detainer, trespass to try title, and restitution. In connection with any action taken by the Beneficiary pursuant to this subsection, the Beneficiary shall not be liable for any loss sustained by Grantor resulting from any failure to let the Mortgaged Property, or any part thereof, or from any other act or omission of the Beneficiary in managing the Mortgaged Property unless such loss is caused by the gross negligence or willful misconduct of the Beneficiary. Grantor hereby assents to, ratifies, and confirms any and all actions of the Beneficiary with respect to the Mortgaged Property taken under this subsection.

The remedies in this subsection are in addition to other remedies available to the Beneficiary and the exercise of the remedies in this subsection shall not be deemed to be an election of nonjudicial or judicial remedies otherwise available to the Beneficiary. The remedies in this Article VII are available under and governed by the real property laws of Washington and are not governed by the personal property laws of Washington, in accordance with the provisions of 9.604 of the UCC, including but not limited to, the power to dispose of personal property in a commercially reasonable manner under Section 9.610 of the UCC. No action by Beneficiary, taken pursuant to this subsection, shall be deemed to be an election to dispose of personal property under Section 9.621 of the UCC. Any receipt of consideration received by Beneficiary pursuant to this subsection shall be immediately credited against the Indebtedness (in the inverse order of maturity) and the value of said consideration shall be treated like any other payment against the Indebtedness.

(c) Right to Accelerate. Except as expressly provided herein or in any other Loan Documents, Beneficiary may, without notice, demand, presentment, notice of nonpayment or nonperformance, protest, notice of protest, notice of intent to accelerate,

notice of acceleration, or any other notice or any other action, all of which are hereby waived by Grantor and all other parties obligated in any manner whatsoever on the Indebtedness, declare the entire unpaid balance of the Indebtedness immediately due and payable, and upon such declaration, the entire unpaid balance of the Indebtedness shall be immediately due and payable. The failure to exercise any remedy available to Beneficiary shall not be deemed to be a waiver of any rights or remedies of Beneficiary under the Loan Documents, at law or in equity.

(d) Foreclosure Power of Sale. Beneficiary may request Trustee to proceed with foreclosure under the power of sale which is hereby conferred, such foreclosure to be accomplished in accordance with the following provisions:

(1) Public Sale. Trustee is hereby authorized and empowered, and it shall be Trustee's special duty, upon such request of Beneficiary, to sell the Mortgaged Property, or any part thereof, at public auction to the highest bidder for cash, with or without having taken possession of same. Any such sale (including notice thereof) shall comply with the applicable requirements, at the time of the sale, required by Washington law, including RCW Chapter 61.24.

(2) Right to Require Proof of Financial Ability and/or Cash Bid. At any time during the bidding, the Trustee may require a bidding party (A) to disclose its full name, state and city of residence, occupation, and specific business office location, and the name and address of the principal the bidding party is representing (if applicable), and (B) to demonstrate reasonable evidence of the bidding party's financial ability (or, if applicable, the financial ability of the principal of such bidding party), as a condition to the bidding party submitting bids at the foreclosure sale. If any such bidding party (the "Questioned Bidder") declines to comply with the Trustee's requirement in this regard, or if such Questioned Bidder does respond but the Trustee, in Trustee's sole and absolute discretion, deems the information or the evidence of the financial ability of the Questioned Bidder (or, if applicable, the principal of such bidding party) to be inadequate, then the Trustee may exclude such party from the sale.

(3) Sale Subject to Unmatured Indebtedness. In addition to the rights and powers of sale granted under the preceding provisions of this subsection, if the Event of Default arises out of a default in the payment of any installment of the Indebtedness, Beneficiary may, at Beneficiary's option, at once or at any time after such Event of Default while any matured installment remains unpaid, without declaring the entire Indebtedness to be due and payable, orally or in writing direct Trustee to enforce this trust and to sell the Mortgaged Property subject to such unmatured Indebtedness and to the rights, powers, liens, security interests, and assignments securing or providing recourse for payment of such unmatured Indebtedness, in the

same manner, all as provided in the preceding provisions of this subsection. Sales made without maturing the Indebtedness may be made hereunder whenever there is a default in the payment of any installment of the Indebtedness, without exhausting the power of sale granted hereby, and without affecting in any way the power of sale granted under this subsection, the unmatured balance of the Indebtedness or the rights, powers, liens, security interests, and assignments securing or providing recourse for payment of the Indebtedness.

(4) Partial Foreclosure. Sale of a part of the Mortgaged Property shall not exhaust the power of sale, but sales may be made from time to time until the Indebtedness is paid and the Obligations are performed and discharged in full. It is intended by each of the foregoing provisions of this subsection that Trustee may, after any request or direction by Beneficiary, sell not only the Land and the Improvements, but also the Fixtures and Personalty and other interests constituting a part of the Mortgaged Property or any part thereof, along with the Land and the Improvements or any part thereof, as a unit and as a part of a single sale, or may sell at any time or from time to time any part or parts of the Mortgaged Property separately from the remainder of the Mortgaged Property. It shall not be necessary to have present or to exhibit at any sale any of the Mortgaged Property.

(5) Trustee's Deeds. After any sale under this subsection, Trustee shall make good and sufficient deeds, assignments, and other conveyances to the purchaser or purchasers thereunder in the name of Grantor, conveying the Mortgaged Property or any part thereof so sold to the purchaser or purchasers with special warranty of title by Grantor, subject to the Permitted Exceptions. It is agreed that in any deeds, assignments or other conveyances given by Trustee, any and all statements of fact or other recitals therein made as to the identity of Beneficiary, the occurrence and continuance or existence of any Event of Default, the notice of intention to accelerate, or acceleration of, the maturity of the Indebtedness, the request to sell, notice of sale, time, place, terms and manner of sale, and receipt, distribution, and application of the money realized therefrom, the due and proper appointment of a substitute trustee, and without being limited by the foregoing, any other act or thing having been duly done by or on behalf of Beneficiary or by or on behalf of Trustee, shall be taken by all courts of law and equity as prima facie evidence that such statements or recitals state true, correct, and complete facts and are without further question to be so accepted, absent manifest error, and Grantor does hereby ratify and confirm any and all such acts that Trustee may lawfully do in the premises by virtue hereof.

(e) Beneficiary's Judicial Remedies. Beneficiary, or Trustee, upon written request of Beneficiary, may proceed by suit or suits, at law or in equity, to enforce the

payment of the Indebtedness and the performance and discharge of the Obligations in accordance with the terms hereof, of the Note, and the other Loan Documents, to foreclose the liens and security interests of this Deed of Trust as against all or any part of the Mortgaged Property, and to have all or any part of the Mortgaged Property sold under the judgment or decree of a court of competent jurisdiction. This remedy shall be cumulative of any other nonjudicial remedies available to the Beneficiary with respect to the Loan Documents. Proceeding with a request or receiving a judgment for legal relief shall not be or be deemed to be an election of remedies or bar any available nonjudicial remedy of the Beneficiary.

(f) Beneficiary's Right to Appointment of Receiver. Beneficiary, as a matter of right and without regard to the sufficiency of the security for repayment of the Indebtedness and performance and discharge of the Obligations, and to the extent permitted by applicable law, without notice to Grantor and without any showing of insolvency, fraud, or mismanagement on the part of Grantor, and without the necessity of filing any judicial or other proceeding other than the proceeding for appointment of a receiver, shall be entitled to the appointment of a receiver or receivers of the Mortgaged Property or any part thereof, and of the Rents, and Grantor hereby irrevocably consents to the appointment of a receiver or receivers. Any receiver appointed pursuant to the provisions of this subsection shall have the usual powers and duties of receivers in such matters.

(g) Beneficiary's Uniform Commercial Code Remedies. The Beneficiary may exercise its rights of enforcement with respect to Fixtures and Personalty under the UCC, and in conjunction with, in addition to or in substitution for the rights and remedies under the UCC the Beneficiary may and Grantor agrees as follows:

(1) without demand or notice to Grantor, except as provided herein to the contrary, enter upon the Mortgaged Property to take possession of, assemble, receive, and collect the Personalty, or any part thereof, or to render it unusable; and

(2) Beneficiary may require Grantor to assemble the Personalty and make it available at a place the Beneficiary designates which is mutually convenient to allow the Beneficiary to take possession or dispose of the Personalty; and

(3) written notice mailed to Grantor as provided herein at least ten (10) days prior to the date of public sale of the Personalty or prior to the date after which private sale of the Personalty will be made shall constitute reasonable notice; and

(4) any sale made pursuant to the provisions of this subsection shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with the sale of the other Mortgaged Property under power of sale as provided herein upon giving the

same notice with respect to the sale of the Personalty hereunder as is required for such sale of the other Mortgaged Property under power of sale, and such sale shall be deemed to be pursuant to a security agreement covering both real and personal property under Section 9.604 of the UCC; and

(5) in the event of a foreclosure sale, whether made by the Trustee under the terms hereof, or under judgment of a court, the Personalty and the other Mortgaged Property may, at the option of the Beneficiary, be sold as a whole; and

(6) it shall not be necessary that the Beneficiary take possession of the Personalty, or any part thereof, prior to the time that any sale pursuant to the provisions of this subsection is conducted, and it shall not be necessary that the Personalty or any part thereof be present at the location of such sale; and

(7) prior to application of proceeds of disposition of the Personalty to the Indebtedness, such proceeds shall be applied to the reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like, and the reasonable attorneys' fees and legal expenses incurred by the Beneficiary; and

(8) after notification, if any, hereafter provided in this subsection, Beneficiary may sell, lease, or otherwise dispose of the Personalty, or any part thereof, in one or more parcels at public or private sale or sales, at Beneficiary's offices or elsewhere, for cash, on credit, or for future delivery. Upon the request of Beneficiary, Grantor shall assemble the Personalty and make it available to Beneficiary at any place designated by Beneficiary that is reasonably convenient to Grantor and Beneficiary. Grantor agrees that Beneficiary shall not be obligated to give more than ten (10) days' written notice of the time and place of any public sale or of the time after which any private sale may take place and that such notice shall constitute reasonable notice of such matters. Grantor shall be liable for all expenses of retaking, holding, preparing for sale, or the like, including reasonably attorneys' fees and legal expenses, and all other costs and expenses incurred by Beneficiary in connection with the collection of the Indebtedness and the enforcement of Beneficiary's rights under the Loan Documents. Beneficiary shall apply the proceeds of the sale of the Personalty against the Indebtedness in accordance with the provisions of Section 7.4 of this Deed of Trust. Grantor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Personalty are insufficient to pay the Indebtedness in full. Grantor waives all rights of marshalling in respect of the Personalty; and

(9) Beneficiary may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by the Beneficiary, including the sending of notices and the conduct of the sale, but in the name and on behalf of Beneficiary.

(h) Rights Relating to Leases and Rents. Grantor has, pursuant to the terms of this Deed of Trust and the Assignment, assigned, as collateral, to Beneficiary all Rents under each of the Leases covering all or any portion of the Mortgaged Property. Beneficiary, or Trustee on Beneficiary's behalf, may at any time, to the extent permitted by applicable Law and subject to the rights of any tenants, and without notice, either in person, by agent, or by receiver to be appointed by a court, enter and take possession of the Mortgaged Property or any part thereof, and in its own name, sue for or otherwise collect the Rents. Grantor hereby agrees with Beneficiary, upon written notice from Trustee or Beneficiary to Grantor of the occurrence of an Event of Default, that the Beneficiary may terminate the limited license granted to Grantor in the Assignment, and thereafter direct the lessees under the Leases to pay direct to Beneficiary the Rents due and to become due under the Leases and attorn in respect of all other obligations thereunder direct to Beneficiary, or Trustee on Beneficiary's behalf, without any obligation on their part to determine whether an Event of Default does in fact exist or has in fact occurred; provided that upon Grantor's cure of any Event of Default, the limited license granted to Grantor herein shall automatically be reinstated. All Rents collected by Beneficiary, or Trustee acting on Beneficiary's behalf, shall be applied as provided for in Section 7.4 of this Deed of Trust; provided, however, that if the costs, expenses, and reasonable attorneys' fees shall exceed the amount of Rents collected, the excess shall be added to the Indebtedness, shall bear interest at the Default Rate if not paid within ten (10) Business Days after written demand. The entering upon and taking possession of the Mortgaged Property, the collection of Rents, and the application thereof as aforesaid shall not cure or waive any Event of Default or notice of default, if any, hereunder nor invalidate any act done pursuant to such notice, except to the extent any such default is fully cured. Failure or discontinuance by Beneficiary, or Trustee on Beneficiary's behalf, at any time or from time to time, to collect said Rents shall not in any manner impair the subsequent enforcement by Beneficiary, or Trustee on Beneficiary's behalf, of the right, power and authority herein conferred upon it. Nothing contained herein, nor the exercise of any right, power, or authority herein granted to Beneficiary, or Trustee on Beneficiary's behalf, shall be, or shall be construed to be, an affirmation by it of any tenancy, lease, or option, nor an assumption of liability under, nor the subordination of, the lien or charge of this Deed of Trust, to any such tenancy, lease, or option, nor an election of judicial relief, if any such relief is requested or obtained as to Leases or Rents, with respect to the Mortgaged Property or any other collateral given by Grantor to Beneficiary.

(i) Other Rights. Beneficiary (i) may, to the extent the insurance policies apply solely to the Mortgaged Property, surrender the insurance policies maintained pursuant to Section 4.7 hereof or any part thereof, and upon receipt shall apply the unearned premiums as a credit on the Indebtedness, in accordance with the provisions of Section 7.4 hereof, and, in connection therewith, Grantor hereby appoints Beneficiary as agent and attorney in

fact (which is coupled with an interest and is therefore irrevocable) effective upon the occurrence and during the continuance of an Event of Default, for Grantor to collect such premiums; and (ii) may apply the reserve for Impositions and insurance premiums, if any, required by the provisions of this Deed of Trust, toward payment of the Indebtedness; and (iii) shall have and may exercise any and all other rights and remedies which Beneficiary may have at law or in equity, or by virtue of any Loan Document or under the UCC, or otherwise.

(j) Beneficiary as Purchaser. Beneficiary may be the purchaser of the Mortgaged Property or any part thereof, at any sale thereof, whether such sale be under the power of sale herein vested in Trustee or upon any other foreclosure of the liens and security interests hereof, or otherwise, and Beneficiary shall, upon any such purchase, acquire good title to the Mortgaged Property so purchased, free of the liens and security interests hereof, unless the sale was made subject to an unmatured portion of the Indebtedness. The Beneficiary, as purchaser, shall be treated in the same manner as any third party purchaser and the proceeds of the Beneficiary's purchase shall be applied in accordance with Section 7.4 of this Deed of Trust.

7.2 Other Rights of Beneficiary. Should any part of the Mortgaged Property come into the possession of Beneficiary pursuant to the terms of the Loan Documents, whether before or after default, Beneficiary may (for itself or by or through other Persons) hold, lease, manage, use, or operate the Mortgaged Property for such time and upon such terms as Beneficiary may deem prudent under the circumstances (making such repairs, alterations, additions, and improvements thereto and taking such other action as Beneficiary may from time to time deem necessary or desirable) for the purpose of preserving the Mortgaged Property or its value, pursuant to the order of a court of appropriate jurisdiction or in accordance with any other rights held by Beneficiary in respect of the Mortgaged Property. Grantor covenants to promptly reimburse and pay to Beneficiary within ten (10) Business Days after written demand, at the place where the Note is payable, the amount of all reasonable expenses (including without limitation the cost of any insurance, Impositions, or other charges) incurred by Beneficiary in connection with Beneficiary's custody, preservation, use, or operation of the Mortgaged Property, together with interest thereon at the Default Rate from the date such ten (10) Business Day period expires; and all such expenses, costs, taxes, interest, and other charges shall be and become a part of the Indebtedness. It is agreed, however, that the risk of loss or damage to the Mortgaged Property is on Grantor except as otherwise provided in the Loan Documents, and Beneficiary shall have no liability whatsoever for decline in value of the Mortgaged Property, for failure to obtain or maintain insurance, or for failure to determine whether insurance in force is adequate as to amount or as to the risks insured. Possession by the Beneficiary shall not be deemed an election of judicial relief, if any such possession is requested or obtained, with respect to any Mortgaged Property or collateral not in Beneficiary's possession.

7.3 Possession After Foreclosure. If the liens or security interests hereof shall be foreclosed by power of sale granted herein, by judicial action, or otherwise, the purchaser at any such sale shall receive, as an incident to purchaser's ownership, immediate possession of the property purchased, and if Grantor or Grantor's successors shall hold possession of said property

or any part thereof subsequent to foreclosure, Grantor and Grantor's successors shall be considered as tenants at sufferance of the purchaser at foreclosure sale (without limitation of other rights or remedies, at a reasonable rental per day, due and payable daily, based upon the value of the portion of the Mortgaged Property so occupied and sold to such purchaser), and anyone occupying such portion of the Mortgaged Property on behalf of Grantor and Grantor's successors (and not including tenants under valid leases subject to subordination, attornment and non disturbance agreements in form and substance similar to those in effect as of the date hereof), after demand is made for possession thereof, shall be guilty of forcible detainer and shall be subject to eviction and removal, forcible or otherwise, with or without process of law, and all damages by reason thereof are hereby expressly waived.

7.4 Application of Proceeds. The proceeds from any sale, lease, or other disposition made pursuant to this Article VII, or the proceeds from the surrender of any insurance policies pursuant hereto, or any Rents collected by Beneficiary from the Mortgaged Property, or the reserve for Impositions and insurance premiums, if any, required by the provisions of this Deed of Trust or sums received pursuant to Section 8.1 hereof, or proceeds from insurance which Beneficiary elects to apply to the Indebtedness pursuant to Section 8.1 hereof, shall be applied by Trustee, or by Beneficiary, as the case may be, to the Indebtedness in the following order and priority: (i) to the payment of all reasonable expenses of advertising, selling, and conveying the Mortgaged Property or part thereof, and/or prosecuting or otherwise collecting Rents, proceeds, premiums, or other sums including reasonable attorneys' fees and a reasonable fee or commission to the Trustee, not to exceed the amount permitted by RCW 61.24.080(1); (ii) to the remainder of the Indebtedness as follows: first, to the remaining accrued but unpaid interest, and second, to the matured portion of principal of the Indebtedness; (iii) the balance, if any and to the extent applicable, remaining after the full and final payment of the Indebtedness and full performance and discharge of the Obligations to the holder or beneficiary of any inferior liens covering the Mortgaged Property, if any, in order of the priority of such inferior liens (Trustee and Beneficiary shall hereby be entitled to rely exclusively upon a commitment for title insurance issued to determine such priority); and (iv) the cash balance, if any, to the Grantor. The application of proceeds of sale or other proceeds as otherwise provided herein shall be deemed to be a payment of the Indebtedness like any other payment. The balance of the Indebtedness remaining unpaid, if any, shall remain fully due and owing in accordance with the terms of the Note or the other Loan Documents.

7.5 Abandonment of Sale. In the event a foreclosure hereunder is commenced by Trustee in accordance with Subsection 7.1(d) hereof, at any time before the sale, Trustee may abandon the sale, and Beneficiary may then institute suit for the collection of the Indebtedness and for the foreclosure of the liens and security interests hereof and of the Loan Documents. If Beneficiary should institute a suit for the collection of the Indebtedness and for a foreclosure of the liens and security interests, Beneficiary may, at any time before the entry of a final judgment in said suit, dismiss the same and require Trustee to sell the Mortgaged Property or any part thereof in accordance with the provisions of this Deed of Trust.

7.6 Payment of Fees. If the Note or any other part of the Indebtedness shall be collected or if any of the Obligations shall be enforced by legal proceedings, whether through a probate or bankruptcy court or otherwise, or shall be placed in the hands of an attorney for collection after

maturity, whether matured by the expiration of time or by an option given to the Beneficiary to mature same, or if Beneficiary becomes a party to any suit where this Deed of Trust or the Mortgaged Property or any part thereof is involved, Grantor agrees to pay Beneficiary's reasonable attorneys' fees and expenses incurred, and such fees shall be and become a part of the Indebtedness and shall bear interest at the Default Rate if not paid within ten (10) Business Days after written demand.

7.7 Miscellaneous.

(a) In case Beneficiary shall have proceeded to invoke any right, remedy, or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon same for any reason, Beneficiary shall have the unqualified right so to do and, in such event, Grantor and Beneficiary shall be restored to their former positions with respect to the Indebtedness, the Loan Documents, the Mortgaged Property or otherwise, and the rights, remedies, recourses and powers of Beneficiary shall continue as if same had never been invoked.

(b) In addition to the remedies set forth in this Article, upon the occurrence and during the continuance of an Event of Default, the Beneficiary and Trustee shall, in addition, have all other remedies available to them at law or in equity subject to (i) the limitation on liability in Section 5.9 of the Note and (ii) the carveouts set forth in the Loan Agreement at Section 5.39.

(c) All rights, remedies, and recourses of Beneficiary granted in the Note, this Deed of Trust, the other Loan Documents, any other pledge of collateral, or otherwise available at law or equity: (i) shall be cumulative and concurrent; (ii) may be pursued separately, successively, or concurrently against Grantor, the Mortgaged Property, or any one or more of them, at the sole discretion of Beneficiary; (iii) may be exercised as often as occasion therefor shall arise, it being agreed by Grantor that the exercise or failure to exercise any of same shall in no event be construed as a waiver or release thereof or of any other right, remedy, or recourse; (iv) shall be nonexclusive; (v) shall not be conditioned upon Beneficiary exercising or pursuing any remedy in relation to the Mortgaged Property prior to Beneficiary bringing suit to recover the Indebtedness or suit on the Obligations; and (vi) in the event Beneficiary elects to bring suit on the Indebtedness and/or the Obligations and obtains a judgment against Grantor prior to exercising any remedies in relation to the Mortgaged Property, all liens and security interests, including the lien of this Deed of Trust, shall remain in full force and effect and may be exercised at Beneficiary's option.

(d) Beneficiary may release, regardless of consideration, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating, or releasing the lien or security interests evidenced by this Deed of Trust or the other Loan Documents or affecting the obligations of Grantor or any other party to pay the Indebtedness or perform and discharge the Obligations. For payment of the Indebtedness, Beneficiary may resort to any of the collateral therefor in such order and

manner as Beneficiary may elect. No collateral heretofore, herewith, or hereafter taken by Beneficiary shall in any manner impair or affect the collateral given pursuant to the Loan Documents, and all collateral shall be taken, considered, and held as cumulative.

(e) Grantor hereby irrevocably and unconditionally waives and releases: (i) all benefits that might accrue to Grantor by virtue of any present or future law exempting the Mortgaged Property from attachment, levy or sale on execution or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption, or extension of time for payment; (ii) except as otherwise expressly required in any Loan Document or by any Legal Requirement, all notices following any Event of Default or of Trustee's exercise of any right, remedy, or recourse provided for under the Loan Documents; and (iii) any right to a marshalling of assets or a sale in inverse order of alienation.

(f) Grantor and Beneficiary mutually agree that there are no, nor shall there be any, implied covenants of good faith and fair dealing or other similar covenants or agreements in this Deed of Trust and the other Loan Documents. All agreed contractual duties are set forth in this Deed of Trust, the Note, and the other Loan Documents.

(g) The remedies in this Article VII are available under and governed by the real property laws of Washington and are not governed by the personal property laws of Washington, including but not limited to, the power to dispose of personal property in a commercially reasonable manner under Section 9.610 of the UCC.

7.8 Waiver of Deficiency Statute.

(a) In the event an interest in any of the Mortgaged Property is foreclosed upon pursuant to a judicial or nonjudicial foreclosure sale, Grantor agrees that, notwithstanding the provisions of Sections 51.003, 51.004, and 51.005 of the Texas Property Code (as the same may be amended from time to time), to the extent permitted by law, and subject to (i) Section 5.9 of the Note and (ii) the carveouts set forth in the Loan Agreement at Section 5.39.

(b) Beneficiary shall be entitled to seek a deficiency judgment from Grantor and any other party obligated on the Note equal to the difference between the amount owing on the Note and the amount for which the Mortgaged Property was sold pursuant to judicial or nonjudicial foreclosure sale. Grantor expressly recognizes that this section constitutes a waiver of the above cited provisions of the Texas Property Code which would otherwise permit Grantor and other persons against whom recovery of deficiencies is sought or Guarantor independently (even absent the initiation of deficiency proceedings against them) to present competent evidence of the fair market value of the Mortgaged Property as of the date of the foreclosure sale and offset against any deficiency the amount by which the foreclosure sale price is determined to be less than such fair market value. Grantor further recognizes and agrees that this waiver creates an irrebuttable presumption that the foreclosure sale price is equal to the fair market value of the Mortgaged Property for

purposes of calculating deficiencies owed by Grantor, Guarantor, and others against whom recovery of a deficiency is sought.

(c) Alternatively, in the event the waiver provided for in subsection (a) above is determined by a court of competent jurisdiction to be unenforceable, the following shall be the basis for the finder of fact's determination of the fair market value of the Mortgaged Property as of the date of the foreclosure sale in proceedings governed by Sections 51.003, 51.004 and 51.005 of the Texas Property Code (as amended from time to time): (i) the Mortgaged Property shall be valued in an "as is" condition as of the date of the foreclosure sale, without any assumption or expectation that the Mortgaged Property will be repaired or improved in any manner before a resale of the Mortgaged Property after foreclosure; (ii) the valuation shall be based upon an assumption that the foreclosure purchaser desires a resale of the Mortgaged Property for cash promptly (but no later than twelve (12) months) following the foreclosure sale; (iii) all reasonable closing costs customarily borne by the seller in commercial real estate transactions should be deducted from the gross fair market value of the Mortgaged Property, including, without limitation, brokerage commissions, title insurance, a survey of the Mortgaged Property, tax proration, reasonably attorneys' fees, and marketing costs; (iv) the gross fair market value of the Mortgaged Property shall be further discounted to account for any estimated holding costs associated with maintaining the Mortgaged Property pending sale, including, without limitation, utilities expenses, property management fees, taxes and assessments (to the extent not accounted for in (iii) above), and other maintenance, operational and ownership expenses; and (v) any expert opinion testimony given or considered in connection with a determination of the fair market value of the Mortgaged Property must be given by persons having at least five (5) years' experience in appraising property similar to the Mortgaged Property and who have conducted and prepared a complete written appraisal of the Mortgaged Property taking into consideration the factors set forth above.

(d) Any action to seek a deficiency judgment from the Grantor or any other party obligated on the Note shall be governed by the laws of the state of Texas. The Courts of the state of Texas, and federal courts apply in Texas law, shall have exclusive jurisdiction of any such action.

ARTICLE VIII

SPECIAL PROVISIONS

8.1 Casualty and Condemnation Proceeds. After the happening of (a) any casualty in an amount estimated to exceed \$1,000,000.00 (the "Casualty Threshold") to the Mortgaged Property or any part thereof or (b) the taking of any portion of the Mortgaged Property either under condemnation or eminent domain or through settlement in lieu of proceedings under the power of eminent domain in an amount estimated to exceed \$250,000.00 (the "Condemnation Threshold") ((a) and (b) being hereinafter referred to as a "Loss"), Grantor shall give prompt written notice of the Loss to Beneficiary. Notwithstanding any contrary provisions of this Deed of Trust, Beneficiary shall make the proceeds of insurance relating to a casualty Loss or Grantor's portion

of the award paid in condemnation or eminent domain or in settlement in lieu thereof (all such proceeds and awards being hereinafter referred to as the "Proceeds") available to Grantor to pay all or a portion of the costs of repair or restoring the Mortgaged Property to as nearly as practicable the condition of the Mortgaged Property immediately preceding the Loss, provided that such funds shall be made available to Grantor only on compliance with the following conditions (collectively, the "Required Conditions"): (1) within ninety (90) days of a Loss, Grantor shall notify Beneficiary of Grantor's intention to use the Proceeds to repair or restore the Mortgaged Property to as nearly as practicable their condition immediately prior to the Loss; (2) no Event of Default hereunder or under the Note or any other Loan Documents shall have occurred and be continuing; (3) Beneficiary shall have determined, in its reasonable judgment, that sufficient funds (including the Proceeds) are available or committed on terms reasonably satisfactory to Beneficiary to complete and pay for the restoration and repair of the Mortgaged Property in accordance with all then applicable building code requirements and such funds (including the Proceeds) shall be delivered to and held by Beneficiary during the course of such repair and restoration for administration in accordance with the provisions of this paragraph; (4) Grantor shall furnish to Beneficiary plans and specifications (if reasonably required) for the repair or restoration of the Mortgaged Property in form reasonably satisfactory to Beneficiary; (5) business interruption or rent loss insurance or other funds available to Grantor shall be dedicated and sufficient to pay during the period required to restore or repair the Mortgaged Property the required payments of principal of and interest on the Note and all unabated operating expenses of the Mortgaged Property; and (6) the general contractor selected by Grantor to perform the work of repairing or restoring the Mortgaged Property (the "Contractor") shall be a general contractor approved by Beneficiary (such approval not to be unreasonably withheld, conditioned or delayed), and the contract between Grantor and the Contractor and an estimated progress schedule shall be submitted to, and approved by Beneficiary (such approval not to be unreasonably withheld, conditioned or delayed). Any funds required in addition to the Proceeds to complete and pay for the cost of restoring the Mortgaged Property shall be the first funds applied to pay such costs; thereafter, as such restoration or repair progresses, Beneficiary will make periodic payments from the Proceeds to Grantor in accordance with the general procedures of Beneficiary applicable to the disbursement of construction loans at the time of such damages or destruction (and subject to the submission of the required documentation). Until disbursed to pay for the cost of repairing or restoring the Mortgaged Property, Beneficiary shall have a security interest in the Proceeds and other funds at any time held by it pursuant to this paragraph.

Except to the extent that Proceeds are received by Beneficiary and applied to the Indebtedness secured hereby, nothing herein contained shall be deemed to excuse Grantor from repairing or maintaining the Mortgaged Property or restoring all damage or destruction to the Mortgaged Property, regardless of the availability or sufficiency of Proceeds. The application or release by Beneficiary of any Proceeds shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such notice.

Notwithstanding any other provision of this Section 8.1, if in the reasonable determination of Beneficiary the total amount of Proceeds resulting from a casualty is equal to or less than the Casualty Threshold and the repair and restoration of the Mortgaged Property can be completed in less than one hundred eighty (180) days and provided no Event of Default has occurred and is

continuing, Beneficiary shall permit Grantor to apply for and receive the Proceeds directly from the issuer, provided the Grantor shall apply such Proceeds solely to the prompt and diligent commencement and completion of such repairs and restoration.

Further notwithstanding any other provision of this Section 8.1, if in the reasonable determination of Beneficiary the total amount of Proceeds resulting from a condemnation, eminent domain or in settlement in lieu thereof, is equal to or less than the Condemnation Threshold and provided no Event of Default has occurred and is continuing, Beneficiary shall permit Grantor to apply for and receive the Proceeds directly from the condemnation or eminent domain, provided the Grantor shall apply such Proceeds to the prompt and diligent commencement and completion of such repairs and restoration or if no repair or restoration is possible or necessary, and Beneficiary reasonably determines no Event of Default is likely to occur as a result of such condemnation, eminent domain or in settlement in lieu thereof, Grantor may retain the Proceeds.

8.2 Reserve for Taxes and Insurance Premiums. Grantor shall at all times comply with the obligations set forth in the Loan Agreement with respect to ad valorem taxes and insurance relating to the Mortgaged Property.

8.3 INDEMNITY. EXCEPT FOR ACTS ATTRIBUTABLE TO A BENEFICIARY PARTY'S (AS HEREINAFTER DEFINED) GROSS NEGLIGENCE, FRAUD, CRIMINAL ACT OR WILLFUL MISCONDUCT, GRANTOR SHALL INDEMNIFY, DEFEND, PROTECT AND HOLD HARMLESS BENEFICIARY AND TRUSTEE, THEIR RESPECTIVE PARENTS, SUBSIDIARIES, DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES, AGENTS, PERMITTED SUCCESSORS AND ASSIGNS (INDIVIDUALLY AND COLLECTIVELY, A "BENEFICIARY PARTY") FROM AND AGAINST ANY AND ALL LIABILITY, DAMAGE, LOSS, COST, OR EXPENSE (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND EXPENSES) (BUT EXCLUDING PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES), ACTION, PROCEEDING, CLAIM OR DISPUTE INCURRED OR SUFFERED BY THE FOREGOING PARTIES SO INDEMNIFIED WHETHER OR NOT AS THE RESULT OF THE NEGLIGENCE OF ANY PARTY SO INDEMNIFIED, WHETHER VOLUNTARILY OR INVOLUNTARILY INCURRED OR SUFFERED, IN RESPECT OF THE FOLLOWING:

(i) ANY LITIGATION CONCERNING THIS DEED OF TRUST, THE OTHER LOAN DOCUMENTS OR THE MORTGAGED PROPERTY, OR ANY INTEREST OF GRANTOR OR BENEFICIARY THEREIN, OR THE RIGHT OF OCCUPANCY THEREOF BY GRANTOR OR BENEFICIARY, WHETHER OR NOT ANY SUCH LITIGATION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT;

(ii) ANY DISPUTE, INCLUDING DISPUTES AS TO THE DISBURSEMENT OF PROCEEDS OF THE NOTE NOT YET DISBURSED,

AMONG OR BETWEEN ANY OF THE CONSTITUENT PARTIES OR OTHER PARTNERS OR VENTURERS OF GRANTOR IF GRANTOR IS A GENERAL OR LIMITED PARTNERSHIP, OR AMONG OR BETWEEN ANY EMPLOYEES, OFFICERS, DIRECTORS, SHAREHOLDERS, MEMBERS OR MANAGERS OF GRANTOR IF GRANTOR IS A CORPORATION OR LIMITED LIABILITY COMPANY, OR AMONG OR BETWEEN ANY MEMBERS, TRUSTEES OR OTHER RESPONSIBLE PARTIES IF GRANTOR IS AN ASSOCIATION, TRUST OR OTHER ENTITY;

(iii) ANY ACTION TAKEN OR NOT TAKEN BY BENEFICIARY OR TRUSTEE WHICH IS ALLOWED OR PERMITTED UNDER THIS DEED OF TRUST OR ANY OF THE OTHER LOAN DOCUMENTS RELATING TO GRANTOR, THE MORTGAGED PROPERTY, ANY CONSTITUENT PARTIES OR OTHERWISE IN CONNECTION WITH THE LOAN DOCUMENTS, INCLUDING WITHOUT LIMITATION, THE PROTECTION OR ENFORCEMENT OF ANY LIEN, SECURITY INTEREST OR OTHER RIGHT, REMEDY OR RECOURSE CREATED OR AFFORDED BY THIS DEED OF TRUST OR THE OTHER LOAN DOCUMENTS;

(iv) ANY ACTION BROUGHT BY BENEFICIARY OR TRUSTEE AGAINST GRANTOR UNDER THIS DEED OF TRUST OR THE OTHER LOAN DOCUMENTS, WHETHER OR NOT SUCH ACTION IS PROSECUTED TO A FINAL, NON-APPEALABLE JUDGMENT; AND

(v) TO THE USE, GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, DISCHARGE, DISPOSAL, OR PRESENCE OF A HAZARDOUS SUBSTANCE IN VIOLATION OF ENVIRONMENTAL LAWS ON, IN, UNDER OR ABOUT THE MORTGAGED PROPERTY, WHETHER KNOWN OR UNKNOWN AT THE TIME OF THE EXECUTION HEREOF, INCLUDING WITHOUT LIMITATION (A) ALL FORESEEABLE CONSEQUENTIAL DAMAGES OF ANY SUCH USE, GENERATION, MANUFACTURE, PRODUCTION, STORAGE, RELEASE, THREATENED RELEASE, DISCHARGE, DISPOSAL, OR PRESENCE, AND (B) THE COSTS OF ANY REQUIRED OR NECESSARY ENVIRONMENTAL INVESTIGATION OR MONITORING, ANY REPAIR, CLEANUP, OR DETOXIFICATION OF THE MORTGAGED PROPERTY, AND THE PREPARATION AND IMPLEMENTATION OF ANY CLOSURE, REMEDIAL, OR OTHER REQUIRED PLANS.

BENEFICIARY AND/OR TRUSTEE MAY EMPLOY AN ATTORNEY OR ATTORNEYS TO PROTECT OR ENFORCE ITS RIGHTS, REMEDIES AND RECOURSES UNDER THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS, AND TO ADVISE

AND DEFEND BENEFICIARY AND/OR TRUSTEE WITH RESPECT TO ANY SUCH ACTIONS AND OTHER MATTERS. GRANTOR SHALL REIMBURSE BENEFICIARY AND/OR TRUSTEE FOR THEIR RESPECTIVE REASONABLE ATTORNEYS' FEES AND EXPENSES (INCLUDING EXPENSES AND COSTS FOR EXPERTS) WITHIN TEN (10) BUSINESS DAYS AFTER WRITTEN DEMAND THEREFOR, WHETHER ON A MONTHLY OR OTHER TIME INTERVAL, AND WHETHER OR NOT AN ACTION IS ACTUALLY COMMENCED OR CONCLUDED. ANY PAYMENTS NOT MADE WITHIN TEN (10) BUSINESS DAYS AFTER WRITTEN DEMAND THEREFOR SHALL BEAR INTEREST AT THE DEFAULT RATE FROM THE EXPIRATION OF SAID TEN (10) BUSINESS DAY PERIOD UNTIL FULLY PAID. THE PROVISIONS OF THIS SECTION SHALL SURVIVE REPAYMENT OF THE INDEBTEDNESS AND PERFORMANCE OF THE OBLIGATIONS, THE RELEASE OF THE LIEN OF THIS DEED OF TRUST, ANY FORECLOSURE (OR ACTION IN LIEU OF FORECLOSURE), THE TRANSFER BY GRANTOR OF ANY OR ALL OF ITS RIGHT, TITLE AND INTEREST IN OR TO THE PROPERTY AND THE EXERCISE BY BENEFICIARY OF ANY AND ALL REMEDIES SET FORTH HEREIN OR IN THE LOAN DOCUMENTS.

NOTWITHSTANDING THE FOREGOING, THE INDEMNITY IN THIS SECTION 8.3 SHALL NOT EXTEND TO ANY LOSSES OR CLAIMS ARISING OUT OF BENEFICIARY OR TRUSTEE OR ITS RECEIVER'S ACTIONS OR FAILURE TO ACT AFTER TAKING POSSESSION AND/OR CONTROL OF THE MORTGAGED PROPERTY.

8.4 Subrogation. Grantor waives any and all right to claim, recover, or subrogation against Beneficiary or its officers, directors, employees, agents, attorneys, or representatives for loss or damage to Grantor, the Mortgaged Property, Grantor's property or the property of others under Grantor's control from any cause insured against or required to be insured against by the provisions of the Loan Documents.

8.5 Waiver of Setoff. The Indebtedness, or any part thereof, shall be paid by Grantor without notice, demand, counterclaim, setoff, deduction, or defense and without abatement, suspension, deferment, diminution, or reduction by reason of: (i) any damage to, destruction of, or any condemnation or similar taking of the Mortgaged Property; (ii) any restriction or prevention of or interference with any use of the Mortgaged Property; (iii) any title defect or encumbrance or any eviction from the Mortgaged Property by superior title or otherwise; (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation, or other like proceeding relating to Trustee, Beneficiary, or Grantor, or any action taken with respect to this Deed of Trust by any trustee or receiver of Beneficiary or Grantor, or by any court, in any such proceeding; (v) any claim which Grantor has or might have against Trustee or Beneficiary; (vi) any default or failure on the part of Beneficiary to perform or comply with any of the terms hereof or of any other agreement with Grantor; or (vii) any other occurrence whatsoever, whether similar or dissimilar to the foregoing, whether or not Grantor shall have notice or knowledge of any of the foregoing. Except as expressly provided herein or prohibited by Law, Grantor waives all rights now or hereafter conferred by statute or otherwise to any abatement, suspension, deferment, diminution, or reduction of the Indebtedness.

8.6 Setoff. In addition to, but not in substitution for, any rights granted to the Beneficiary under the terms of the Loan Agreement, Beneficiary shall be entitled to exercise both the rights of setoff and banker's lien, if applicable, against the interest of Grantor in and to each and every account and other property of Grantor which are in the possession of Beneficiary to the full extent of the outstanding balance of the Indebtedness.

8.7 Consent to Disposition. It is expressly agreed that Beneficiary may predicate Beneficiary's decision to grant or withhold consent to a Disposition for which Beneficiary's consent is required in accordance with the Agreement pursuant to which the Note is assumed on such terms and conditions as Beneficiary may require, in Beneficiary's sole discretion, including without limitation (i) consideration of the creditworthiness of the party to whom such Disposition will be made and its management ability with respect to the Mortgaged Property, (ii) consideration of whether the security for repayment of the Indebtedness and the performance and discharge of the Obligations, or Beneficiary's ability to enforce its rights, remedies, and recourses with respect to such security, will be impaired in any way by the proposed Disposition, (iii) an increase in the rate of interest payable under the Note, (iv) reimbursement of Beneficiary for all costs and expenses reasonably incurred by Beneficiary in investigating the creditworthiness and management ability of the party to whom such Disposition will be made and in determining whether Beneficiary's security will be impaired by the proposed Disposition, (v) payment to Beneficiary of a transfer fee to cover the cost of documenting the Disposition in its records, (vi) payment of Beneficiary's reasonable attorneys' fees in connection with such Disposition, (vii) the express assumption of payment of the Indebtedness and performance and discharge of the Obligations by the party to whom such Disposition will be made (with or without the release of Grantor from liability for such Indebtedness and Obligations), (viii) the execution of assumption agreements, modification agreements, supplemental loan documents, and financing statements, satisfactory in form and substance to Beneficiary, (ix) endorsements (to the extent available under applicable law) to any existing mortgagee title insurance policies insuring Beneficiary's liens and security interests covering the Mortgaged Property, and (x) require a guarantor for any non-recourse obligations of Grantor under the Loan Agreement if Beneficiary determines that the creditworthiness of the party to whom such Disposition will be made is insufficient.

8.8 Consent to Subordinate Mortgage. In the event of consent by Beneficiary to the granting of a Subordinate Mortgage, or in the event the above described right of Beneficiary to declare the Indebtedness to be immediately due and payable upon the granting of a Subordinate Mortgage without the prior written consent of Beneficiary is determined by a court of competent jurisdiction to be unenforceable under the provisions of any applicable law, Grantor will not execute or deliver any Subordinate Mortgage unless (i) it shall contain express covenants to the effect: (a) that the Subordinate Mortgage is in all respects unconditionally subject and subordinate to the lien and security interest evidenced by this Deed of Trust and each term and provision hereof; (b) that if any action or proceeding shall be instituted to foreclose the Subordinate Mortgage (regardless of whether the same is a judicial proceeding or pursuant to a power of sale contained therein), no tenant of any portion of the Mortgaged Property will be named as a party defendant, nor will any action be taken with respect to the Mortgaged Property which would terminate any occupancy or tenancy of the Mortgaged Property without the prior written consent of Beneficiary; (c) that the rents and profits, if collected through a receiver or by the holder of the Subordinate

Mortgage, shall be applied first to the Indebtedness, next to the payment of the Impositions, and then to the performance and discharge of the Obligations; and (d) that if any action or proceeding shall be brought to foreclose the Subordinate Mortgage (regardless of whether the same is a judicial proceeding or pursuant to a power of sale contained therein), written notice of the commencement thereof will be given to Beneficiary contemporaneously with the commencement of such action or proceeding; and (ii) a copy thereof shall have been delivered to Beneficiary not less than ten (10) days prior to the date of the execution of such Subordinate Mortgage.

ARTICLE IX

RESERVED

ARTICLE X

SECURITY AGREEMENT

10.1 Security Interest. This Deed of Trust (a) shall be construed as a deed of trust on real property, and (b) shall also constitute and serve as a "Security Agreement" on personal property within the meaning of, and shall constitute until the grant of this Deed of Trust shall terminate as provided in Article II hereof, a first and prior security interest under the UCC as to property within the scope thereof and in the state where the Mortgaged Property is located with respect to the Personalty, Fixtures, Contracts, Leases, and Rents. To this end, Grantor has GRANTED, BARGAINED, CONVEYED, ASSIGNED, TRANSFERRED, and SET OVER, and by these presents does GRANT, BARGAIN, CONVEY, ASSIGN, TRANSFER and SET OVER, unto Trustee and Beneficiary, a first and prior security interest and all of Grantor's right, title and interest in, to, under and with respect to the Personalty, Fixtures, Contracts, Leases, and Rents to secure the full and timely payment of the Indebtedness and the full and timely performance and discharge of the Obligations, subject only to the Permitted Exceptions applicable thereto. It is the intent of Grantor, Beneficiary, and Trustee that this Deed of Trust encumber all Leases and Rents, that all items contained in the definition of "Leases" and "Rents" which are included within the UCC be covered by the security interest granted in this Article X, and that all items contained in the definition of "Leases" and "Rents" which are excluded from the UCC be covered by the provisions of Article II and the Assignment.

10.2 Financing Statements. Grantor hereby agrees with Beneficiary to execute and deliver (if required by applicable Law) to Beneficiary, in form and substance satisfactory to Beneficiary, such "Financing Statements" and such further assurances as Beneficiary may, from time to time, reasonably consider necessary to create, perfect, and preserve Beneficiary's security interest herein granted, and Beneficiary may cause such statements and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect, and preserve such security interest. Without limiting the foregoing, Grantor hereby specifically authorizes Beneficiary to prepare, file of record or otherwise effectuate new financing statements, financing statement amendments, and financing statement continuations which describe all or any portion of the Mortgaged Property as collateral thereunder and Grantor specifically agrees that

Beneficiary may cause same to be filed without any signature of a representative of the Grantor appearing thereon, where such filings are permitted by applicable law.

10.3 Fixture Filing. This Deed of Trust shall constitute a Financing Statement filed as a “fixture filing” for the purposes of the UCC. All or part of the Mortgaged Property are or are to become fixtures; information concerning the security interest herein granted may be obtained from either party at the address of such party set forth herein. For purposes of the security interest herein granted, the address of debtor (Grantor) is set forth in the first paragraph of this Deed of Trust and the address of the secured party (Beneficiary) is set forth in Article I hereof.

ARTICLE XI

CONCERNING THE TRUSTEE

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

11.2 Certain Rights. With the approval of Beneficiary, Trustee shall have the right to take any and all of the following actions: (i) to select, employ, and advise with counsel (who may be, but need not be, counsel for Beneficiary) upon any matters arising hereunder, including the preparation, execution, and interpretation of the Loan Documents, and shall be fully protected in relying as to legal matters on the advice of counsel, (ii) to execute any of the trusts and powers hereof and to perform any duty hereunder either directly or through his agents or attorneys, (iii) to select and employ, in and about the execution of his duties hereunder, suitable accountants, engineers and other experts, agents and attorneys in fact, either corporate or individual, not regularly in the employ of Trustee, and Trustee shall not be answerable for any act, default, negligence, or misconduct of any such accountant, engineer or other expert, agent or attorney in fact, if selected with reasonable care, or for any error of judgment or act done by Trustee in good faith, or be otherwise responsible or accountable under any circumstances whatsoever, except for Trustee’s gross negligence, fraud, criminal act, willful misconduct or bad faith, and (iv) any and all other lawful action as Beneficiary may instruct Trustee to take to protect or enforce Beneficiary’s rights hereunder. Trustee shall not be personally liable in case of entry by Trustee, or anyone entering by virtue of the powers herein granted to Trustee, upon the Mortgaged Property for debts contracted for or liability or damages incurred in the management or operation of the Mortgaged Property unless and to the extent of Trustee’s gross negligence, fraud, criminal act or willful misconduct. Trustee shall have the right to rely on any instrument, document, or signature authorizing or supporting any action taken or proposed to be taken by Trustee hereunder, believed

by Trustee in good faith to be genuine. Trustee shall be entitled to reimbursement for reasonable expenses incurred by Trustee in the performance of Trustee's duties hereunder and to reasonable compensation for such of Trustee's services hereunder as shall be rendered. Grantor will save Trustee harmless against, any and all liability and expenses which may be reasonably incurred by Trustee in the performance of Trustee's duties.

11.3 Retention of Money. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by applicable law) and Trustee shall be under no liability for interest on any moneys received by Trustee hereunder.

11.4 Successor Trustees. Trustee may resign by the giving of notice of such resignation in writing or verbally to Beneficiary. If Trustee shall die, resign, or become disqualified from acting in the execution of this trust, or if, for any reason, Beneficiary shall prefer to appoint a substitute trustee or multiple substitute trustees, or successive substitute trustees or successive multiple substitute trustees, to act instead of the aforementioned Trustee, Beneficiary shall have full power to appoint a substitute trustee (or, if preferred, multiple substitute trustees) in succession who shall succeed (and if multiple substitute trustees are appointed, each of such multiple substitute trustees shall succeed) to all the estates, rights, powers, and duties of the aforementioned Trustee. Such appointment may be executed by any authorized agent of Beneficiary, and if such Beneficiary be a corporation and such appointment be executed in its behalf by any officer of such corporation, such appointment shall be conclusively presumed to be executed with authority and shall be valid and sufficient without proof of any action by the board of directors or any superior officer of the corporation. Grantor hereby ratifies and confirms any and all acts which the aforementioned Trustee, or his successor or successors in this trust, shall do lawfully by virtue hereof, absent manifest error. If multiple substitute Trustees are appointed, each of such multiple substitute Trustees shall be empowered and authorized to act alone without the necessity of the joinder of the other multiple substitute trustees, whenever any action or undertaking of such substitute trustees is requested or required under or pursuant to this Deed of Trust or applicable law.

11.5 Perfection of Appointment. Should any deed, conveyance, or instrument of any nature be required from Grantor by any Trustee or substitute Trustee to more fully and certainly vest in and confirm to the Trustee or substitute Trustee such estates, rights, powers, and duties, then, upon request by the Trustee or substitute Trustee, any and all such deeds, conveyances and instruments shall be made, executed, acknowledged, and delivered and shall be caused to be recorded and/or filed by Grantor.

11.6 Succession Instruments. Any substitute Trustee appointed pursuant to any of the provisions hereof shall, without any further act, deed, or conveyance, become vested with all the estates, properties, rights, powers, and trusts of its or his predecessor in the rights hereunder with like effect as if originally named as Trustee herein; but nevertheless, upon the written request of Beneficiary or of the substitute Trustee, the Trustee ceasing to act shall execute and deliver any instrument transferring to such substitute Trustee, upon the trusts herein expressed, all the estates, properties, rights, powers, and trusts of the Trustee so ceasing to act, and shall duly assign, transfer

and deliver any of the property and moneys held by such Trustee to the substitute Trustee so appointed in the Trustee's place.

11.7 No Representation by Trustee or Beneficiary. By accepting or approving anything required to be observed, performed, or fulfilled or to be given to Trustee or Beneficiary pursuant to the Loan Documents, including without limitation, any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey, appraisal, or insurance policy, neither Trustee nor Beneficiary shall be deemed to have warranted, consented to, or affirmed the sufficiency, legality, effectiveness, or legal effect of the same, or of any term, provision, or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or affirmation with respect thereto by Trustee or Beneficiary.

ARTICLE XII

MISCELLANEOUS

12.1 Release. If the Indebtedness is paid in full in accordance with the terms of this Deed of Trust, the Note, and the other Loan Documents, and if Grantor shall well and truly perform each and every of the Obligations to be performed and discharged in accordance with the terms of this Deed of Trust, the Note and the other Loan Documents, then this conveyance shall become null and void and be released at Grantor's request and expense, and Beneficiary shall have no further obligation to make advances under and pursuant to the provisions hereof or in the other Loan Documents.

12.2 Performance at Grantor's Expense. Subject to the provisions of Section 12.10 hereof, Grantor shall (i) pay all reasonable, out of pocket, legal fees incurred by Beneficiary in connection with the preparation of the Loan Documents (including any amendments thereto or consents, releases, or waivers granted thereunder); (ii) reimburse Beneficiary, within ten (10) Business Days after written demand, for all reasonable amounts expended, advanced, or incurred by Beneficiary to satisfy any obligation of Grantor under the Loan Documents, which amounts shall include all court costs, reasonable attorneys' fees (including, without limitation, for trial, appeal, or other proceedings), fees of auditors and accountants and other investigation expenses reasonably incurred by Beneficiary in connection with any such matters; and (iii) any and all other reasonable costs and expenses of performing or complying with any and all of the Obligations. Except to the extent that costs and expenses are included within the definition of "Indebtedness," the payment of such costs and expenses shall not be credited, in any way and to any extent, against any installment on or portion of the Indebtedness.

12.3 Survival of Obligations. Each and all of the Obligations shall survive the execution and delivery of the Loan Documents and the consummation of the Loan called for therein and shall continue in full force and effect until the Indebtedness shall have been paid in full; provided, however, that nothing contained in this Section shall limit the obligations of Grantor as otherwise set forth herein.

12.4 Recording and Filing. Grantor will cause the Loan Documents (requested in writing by the Beneficiary) and all amendments and supplements thereto and substitutions therefor to be recorded, filed, re-recorded, and refiled in such manner and in such places as Trustee or Beneficiary shall reasonably request, and will pay all such recording, filing, re-recording and refiling taxes, documentary stamp taxes, fees, and other charges.

12.5 Notices. All notices or other communications required or permitted to be given pursuant to this Deed of Trust shall be in writing and shall be considered as properly given if given as provided in the Note.

12.6 Covenants Running with the Land. All Obligations contained in this Deed of Trust and the other Loan Documents are intended by Grantor, Beneficiary, and Trustee to be, and shall be construed as, covenants running with the Mortgaged Property until the lien of this Deed of Trust has been fully released by Beneficiary.

12.7 Successors and Assigns. Subject to the provisions of Section 9.1 of the Loan Agreement, all of the terms of the Loan Documents shall apply to, be binding upon, and inure to the benefit of the parties thereto, their successors, assigns, heirs, and legal representatives, and all other Persons claiming by, through, or under them.

12.8 No Waiver; Severability. Any failure by Trustee or Beneficiary to insist, or any election by Trustee or Beneficiary not to insist, upon strict performance by Grantor or others of any of the terms, provisions, or conditions of the Loan Documents shall not be deemed to be a waiver of same or of any other terms, provisions, or conditions thereof, and Trustee or Beneficiary shall have the right at any time or times thereafter to insist upon strict performance by Grantor or others of any and all of such terms, provisions, and conditions. The Loan Documents are intended to be performed in accordance with, and only to the extent permitted by, all applicable Legal Requirements. If any provision of any of the Loan Documents or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, then neither the remainder of the instrument in which such provision is contained nor the application of such provision to other persons or circumstances nor the other instruments referred to herein shall be affected thereby, but rather shall be enforced to the greatest extent permitted by law.

12.9 Counterparts. To facilitate execution, this Deed of Trust may be executed in as many counterparts as may be convenient or required. It shall not be necessary that the signature and acknowledgment of, or on behalf of, each party, or that the signature and acknowledgment of all Persons required to bind any party, appear on each counterpart. All counterparts shall collectively constitute a single instrument. It shall not be necessary in making proof of this Deed of Trust to produce or account for more than a single counterpart containing the respective signatures and acknowledgment of, or on behalf of, each of the parties hereto. Any signature and acknowledgment page to any counterpart may be detached from such counterpart without impairing the legal effect of the signatures and acknowledgments thereon and thereafter attached to another counterpart identical thereto except having attached to it additional signature and acknowledgment pages.

12.10 Interest Provisions.

(a) Savings Clause. It is expressly stipulated and agreed to be the intent of Grantor and Beneficiary at all times to comply strictly with the applicable Texas law governing the maximum rate or amount of interest payable on the Note or the Related Indebtedness (or applicable United States federal law to the extent that it permits Beneficiary to contract for, charge, take, reserve or receive a greater amount of interest than under Texas law). If the applicable law is ever judicially interpreted so as to render usurious any amount (i) contracted for, charged, taken, reserved or received pursuant to the Note, any of the other Loan Documents or any other communication or writing by or between Grantor and Beneficiary related to the transaction or transactions that are the subject matter of the Loan Documents, (ii) contracted for, charged or received by reason of Beneficiary's exercise of the option to accelerate the maturity of the Note and/or the Related Indebtedness, or (iii) Grantor will have paid or Beneficiary will have received by reason of any voluntary prepayment by Grantor of the Note and/or the Related Indebtedness, then it is Grantor's and Beneficiary's express intent that all amounts charged in excess of the Maximum Lawful Rate shall be automatically cancelled, ab initio, and all amounts in excess of the Maximum Lawful Rate theretofore collected by Beneficiary shall be credited on the principal balance of the Note and/or the Related Indebtedness (or, if the Note and all Related Indebtedness have been or would thereby be paid in full, refunded to Grantor), and the provisions of the Note and the other Loan Documents immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; provided, however, if the Note has been paid in full before the end of the stated term of the Note, then Grantor and Beneficiary agree that Beneficiary shall, with reasonable promptness after Beneficiary discovers or is advised by Grantor that interest was received in an amount in excess of the Maximum Lawful Rate, either refund such excess interest to Grantor and/or credit such excess interest against the Note and/or any Related Indebtedness then owing by Grantor to Beneficiary. Grantor hereby agrees that as a condition precedent to any claim seeking usury penalties against Beneficiary, Grantor will provide written notice to Beneficiary, advising Beneficiary in reasonable detail of the nature and amount of the violation, and Beneficiary shall have sixty (60) days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to Grantor or crediting such excess interest against the Note and/or the Related Indebtedness then owing by Grantor to Beneficiary. All sums contracted for, charged or received by Beneficiary for the use, forbearance or detention of any debt evidenced by the Note and/or the Related Indebtedness shall, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of the Note and/or the Related Indebtedness (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of the Note and/or the Related Indebtedness does not exceed the Maximum Lawful Rate from time to time in effect and applicable to the Note and/or the Related Indebtedness for so long as debt is outstanding. In no event shall the provisions of Chapter 346 of the Texas Finance Code (which regulates certain revolving credit loan accounts and revolving triparty

accounts) apply to the Note and/or the Related Indebtedness. Notwithstanding anything to the contrary contained herein or in any of the other Loan Documents, it is not the intention of Beneficiary to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

(b) Definitions. As used herein, the term "Maximum Lawful Rate" shall mean the maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved by Beneficiary in accordance with the applicable laws of the State of Texas (or applicable United States federal law to the extent that it permits Beneficiary to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law), taking into account all Charges (as herein defined) made in connection with the transaction evidenced by the Note and the other Loan Documents. As used herein, the term "Charges" shall mean all fees, charges and/or any other things of value, if any, contracted for, charged, received, taken or reserved by Beneficiary in connection with the transactions relating to the Note and the other Loan Documents, which are treated as interest under applicable law. As used herein, the term "Related Indebtedness" shall mean any and all debt paid or payable by Grantor to Beneficiary pursuant to the Loan Documents or any other communication or writing by or between Grantor and Beneficiary related to the transaction or transactions that are the subject matter of the Loan Documents, except such debt which has been paid or is payable by Grantor to Beneficiary under the Note.

(c) Ceiling Election. To the extent that Beneficiary is relying on Chapter 303 of the Texas Finance Code to determine the Maximum Lawful Rate payable on the Note and/or the Related Indebtedness, Beneficiary will utilize the weekly ceiling from time to time in effect as provided in such Chapter 303, as amended. To the extent permitted by applicable law now or hereafter in effect, however, Beneficiary may, at its option and from time to time, utilize any other method of establishing the Maximum Lawful Rate under such Chapter 303 or under other applicable law by giving notice, if required, to Grantor as provided by applicable law now or hereafter in effect.

12.11 Subrogation. If any or all of the proceeds of the Note have been used to extinguish, extend or renew any indebtedness heretofore existing against the Mortgaged Property, then, to the extent of such funds so used, Beneficiary shall be subrogated to all of the rights, claims, liens, titles, and interests existing against the Mortgaged Property heretofore held by, or in favor of, the holder of such indebtedness and such former rights, claims, liens, titles, and interests, if any, are not waived but rather are continued in full force and effect in favor of Beneficiary and are merged with the lien and security interest created herein as cumulative security for the repayment of the Indebtedness and the performance and discharge of the Obligations.

12.12 Reserved.

12.13 Payments. Remittances in payment of any part of the Indebtedness other than in the required amount in funds immediately available at the place where the Note is payable shall not, regardless of any receipt or credit issued therefor, constitute payment until the required amount is actually received by Beneficiary in funds immediately available at the place where the Note is

payable (or such other place as Beneficiary, in Beneficiary's sole discretion, may have established by delivery of written notice thereof to Grantor) and shall be made and accepted subject to the condition that any check or draft may be handled for collection in accordance with the practice of the collecting bank or banks. Acceptance by Beneficiary of any payment in an amount less than the amount then due shall be deemed an acceptance on account only, and the failure to pay the entire amount then due (after applicable notice and cure periods) shall be and continue to be an Event of Default.

12.14 Exceptions to Covenants. Grantor shall not be deemed to be permitted to take any action or to fail to take any action with respect to any particular covenant or condition contained herein or in any of the Loan Documents if the action or omission would result in the breach of any other covenant or condition contained herein or in any of the Loan Documents which has not been specifically waived or consented to by Beneficiary, nor shall Beneficiary be deemed to have consented to any such act or omission if the same would provide cause for acceleration of the Indebtedness as a result of the breach of any other covenant or condition contained herein or in any of the Loan Documents which has not been specifically waived or consented to by Beneficiary.

12.15 Reliance. Grantor recognizes and acknowledges that in entering into the loan transaction evidenced by the Loan Documents and accepting this Deed of Trust, Beneficiary is expressly and primarily relying on the truth and accuracy of the foregoing warranties and representations set forth in Article III hereof without any obligation to investigate the Mortgaged Property and notwithstanding any investigation of the Mortgaged Property by Beneficiary; that such reliance exists on the part of Beneficiary prior hereto; that such warranties and representations are a material inducement to Beneficiary in making the loan evidenced by the Loan Documents and accepting of this Deed of Trust; and that Beneficiary would not be willing to make the loan evidenced by the Loan Documents and accept this Deed of Trust in the absence of any of such warranties and representations.

12.16 Change of Security. Any part of the Mortgaged Property may be released, regardless of consideration, by Beneficiary from time to time without impairing, subordinating, or affecting in any way the lien, security interest, and other rights hereof against the remainder. The lien, security interest, and other rights granted hereby shall not be affected by any other security taken for the Indebtedness or Obligations, or any part thereof. The taking of additional collateral, or the amendment, extension, renewal, or rearrangement of the Indebtedness or Obligations, or any part thereof, shall not release or impair the lien, security interest, and other rights granted hereby, or affect the liability of any endorser or guarantor or improve the right of any junior lienholder; and this Deed of Trust, as well as any instrument given to secure any amendment, extension, renewal, or rearrangement of the Indebtedness or Obligations, or any part thereof, shall be and remain a first and prior lien, except as otherwise provided herein, on all of the Mortgaged Property not expressly released until the Indebtedness is fully paid and the Obligations are fully performed and discharged.

12.17 Headings. The Article, Section, and Subsection entitlements hereof are inserted for convenience of reference only and shall in no way alter, modify, or define, or be used in construing the text of such Articles, Sections, or Subsections.

12.18 Entire Agreement; Amendment. THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS, AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES HERETO. The provisions hereof and the other Loan Documents may be amended or waived only by an instrument in writing signed by the Grantor and Beneficiary.

12.19 Waiver of Right to Trial by Jury. GRANTOR AND BENEFICIARY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING, OR COUNTERCLAIM THAT RELATES TO OR ARISES OUT OF ANY OF THE LOAN DOCUMENTS OR THE ACTS OR FAILURE TO ACT OF OR BY BENEFICIARY IN THE ENFORCEMENT OF ANY OF THE TERMS OR PROVISIONS OF THIS DEED OF TRUST OR THE OTHER LOAN DOCUMENTS.

12.20 Incorporation of Certain Washington Covenants.

(a) The Mortgaged Property is not used principally for agricultural or farming purposes.

(b) Grantor represents and warrants to Beneficiary that the Indebtedness is incurred exclusively for commercial, investment or business purposes and no portion of the proceeds of the Indebtedness will be used for any consumer, personal, family or household purpose.

(c) If, and only to the extent that, RCW 4.24.115 applies to any damages indemnified against under this Deed of Trust or any other Loan Document (such subset of those damages is referred to as the "Specified Damages"), the indemnity against such Specified Damages (the "Specified Indemnity") will be limited by the provisions of this paragraph. No Specified Indemnity will apply so as to indemnify an indemnitee under any such indemnity against any Specified Damages caused by or resulting from the sole negligence of such indemnitee, or such indemnitee's agents or employees. To the extent that any Specified Damages are caused by or result from the concurrent negligence of (a) an indemnitee under such indemnity or such indemnitee's agents or employees and (b) an indemnitor under such indemnity or such indemnitor's agents or employees, then as between such indemnitor and such indemnitee, the Specified Indemnity will apply only to the extent of such indemnitor's negligence (and such indemnity is hereby expressly provided for). If RCW 4.24.115 is hereafter amended to eliminate or modify the limitations on indemnities set forth therein, this paragraph shall automatically and without further act by any party be deemed amended to comport with the requirements of RCW 4.24.115, as amended, and to remove any of the limitations contained in this paragraph that are no longer required by then-applicable law. Solely for the purpose of giving, and only to the

extent necessary to give, full force and effect to the indemnifications contained in such indemnities, and not for the benefit of the employees of any indemnitor, each indemnitor under such indemnity hereby waives any immunity granted to such indemnitor under RCW chapter 51 (Industrial Insurance) and hereby agrees that such waiver was mutually negotiated by the parties.

(d) In addition to all other remedies of Beneficiary and Trustee, upon the occurrence of any Event of Default and as long as that Event of Default is continuing, Beneficiary shall have the right to have the Property sold by Trustee pursuant to the power of sale and the provisions of the laws of the State of Washington then in effect with respect to foreclosure pursuant to a trustee's sale under deeds of trust or, at Beneficiary's option, to have this Deed of Trust foreclosed in judicial proceedings as a mortgage.

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

Notice of sale having been given as then required by law and not less than the time then required by law having elapsed after recordation of such notice of breach, Trustee, without demand on Grantor, shall sell the Property at the time and place of sale specified in the notice, as provided by statute, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest and best bidder for cash in lawful money of the United States, payable at time of sale. Grantor agrees that such a sale (or sheriff's sale pursuant to judicial foreclosure) of all the Property as real estate constitutes a commercially reasonable disposition thereof, but that with respect to all or any part of the Property which may be personal property, Trustee shall have and exercise, at Lender's sole election, all the rights and remedies of a secured party under the UCC. Whenever notice is permitted or required hereunder or under the UCC, ten (10) days shall be deemed reasonable. Trustee may postpone sale of all or any portion of the Property, and from time to time thereafter may postpone such sale, as provided by statute. Trustee shall deliver to the purchaser its deed and bill of sale conveying the Property so sold, but without any covenant or warranty, express or implied. The recital in such deed and bill of sale of any matters or facts shall be conclusive proof of the truthfulness thereof, absent manifest error. Any person other than Trustee, including Grantor or Beneficiary, may purchase at such sale.

The procedure for exercise of the Trustee's power of sale shall be in accordance with applicable law and the proceeds of a sale of the Property under the power of sale hereunder shall be applied by Trustee in accordance with applicable law.

(e) Grantor waives all rights or defenses arising by reason of any "one action" or "anti-deficiency" law, or any other law which may prevent Beneficiary from bringing

any action against Grantor, including a claim for deficiency, to the extent Beneficiary are otherwise entitled to a claim for deficiency, before or after Beneficiary's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale.

(f) Trustee need not sign any waiver, amendment or other modification to this Deed of Trust.

(g) Subject to the express provisions of Section 5.9 of the Note and Section 5.39 of the Loan Agreement, the failure of Grantor to comply with any provisions of this Deed of Trust relating to the use or delivery of any rents, insurance proceeds, or condemnation awards to Beneficiary will be deemed a wrongful retention thereof, and Grantor will remain personally liable therefor after a trustee's sale to the extent the fair value of the Property is less than the indebtedness on the date of the trustee's sale.

(h) Subject to the express provisions of Section 5.9 of the Note and Section 5.39 of the Loan Agreement, any voluntary demolition or destruction of any improvements in violation of this Deed of Trust; any failure to maintain or repair improvements as provided in this Deed of Trust; any failure to correct any design or construction defect; any failure to alter or retrofit the Improvements to comply with any existing or future statute, law or ordinance; or any violation of any environmental law by Grantor, or its employees, agents, contractors, or tenants, shall constitute waste to the Mortgaged Property, and Grantor will remain personally liable therefor after a trustee's sale to the extent such waste causes the fair value of the Mortgage Property to be less than the indebtedness on the date of the trustee's sale.

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

12.21 Applicable Law. THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS (WITHOUT GIVING EFFECT TO TEXAS' PRINCIPLES OF CONFLICTS OF LAW) AND THE LAW OF THE UNITED STATES APPLICABLE TO TRANSACTIONS IN SUCH STATE; PROVIDED, HOWEVER, THAT AS TO MATTERS OF PRIORITY OF LIENS AND OTHER TITLE MATTERS AND THE ENFORCEMENT OF REMEDIES AGAINST CERTAIN COLLATERAL LOCATED IN WASHINGTON, THE LAWS OF THE STATE OF WASHINGTON SHALL GOVERN. GRANTOR ACKNOWLEDGES, STIPULATES AND AGREES THAT (A) THE TRANSACTION EVIDENCED, GOVERNED AND/OR SECURED HEREBY BEARS A REASONABLE RELATIONSHIP TO THE STATE OF TEXAS IN THAT, AMONG OTHER THINGS, BENEFICIARY HAS CONDUCTED A SUBSTANTIAL PART OF THE NEGOTIATIONS FOR THIS TRANSACTION IN THE STATE OF TEXAS, THE LOAN SECURED HEREBY HAS BEEN ORIGINATED FROM THE STATE OF TEXAS, BENEFICIARY

AND CERTAIN OBLIGORS WILL PERFORM A SUBSTANTIAL PART OF THEIR RESPECTIVE OBLIGATIONS FOR THE LOAN IN THE STATE OF TEXAS (INCLUDING WITHOUT LIMITATION THE SERVICING OF THE LOAN BY BENEFICIARY), AND (B) BENEFICIARY WOULD NOT HAVE ENTERED INTO THIS TRANSACTION BUT FOR THE FOREGOING STIPULATION AND AGREEMENT AS TO THE CHOICE OF TEXAS LAW TO GOVERN THIS TRANSACTION.

12.22 Venue and Jurisdiction. GRANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY (A) CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE STATE OF TEXAS, AND ANY APPELLATE COURT THEREOF, (B) AGREES THAT ALL ACTIONS AND PROCEEDINGS BASED UPON, ARISING OUT OF, RELATING TO OR OTHERWISE CONCERNING THIS DEED OF TRUST OR ANY OTHER DOCUMENT, INSTRUMENT OR AGREEMENT RELATED TO THIS DEED OF TRUST, INCLUDING ALL CLAIMS FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, MAY BE BROUGHT, HEARD, AND DETERMINED (LITIGATED) IN SUCH COURTS, (C) ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, THE JURISDICTION OF THE AFORESAID COURTS, (D) WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED UPON THE GROUNDS OF FORUM NON CONVENIENT, THAT IT MAY NOW OR HEREAFTER HAVE TO BRINGING OR MAINTAINING ANY SUCH ACTION OR PROCEEDING IN SUCH JURISDICTION, AND (E) AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS DEED OF TRUST, OR ANY SUCH OTHER DOCUMENT, INSTRUMENT OR AGREEMENT. NOTHING HEREIN SHALL LIMIT THE RIGHT OF BENEFICIARY TO BRING ANY ACTION OR PROCEEDING AGAINST GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE ENFORCEMENT OF ANY LIENS OR SECURITY INTERESTS IN FAVOR OF BENEFICIARY ON ANY OF GRANTOR'S PROPERTIES OR ASSETS; PROVIDED, HOWEVER, BENEFICIARY AND/OR TRUSTEE MAY COMMENCE LEGAL PROCEEDINGS AND ENFORCE ANY OF THEIR RESPECTIVE RIGHTS AND REMEDIES AS TO MATTERS OF PRIORITY OF LIENS AND ASSIGNMENTS AND OTHER TITLE MATTERS RELATING TO CERTAIN COLLATERAL LOCATED IN WASHINGTON IN THE SUPERIOR COURT OF SKAGIT COUNTY, WASHINGTON, OR IN THE UNITED STATES DISTRICT COURT – WESTERN DISTRICT OF WASHINGTON.

12.23 Service of Process. GRANTOR HEREBY AGREES AND CONSENTS THAT, IN ADDITION TO ANY METHODS OF SERVICE OF PROCESS PROVIDED FOR UNDER APPLICABLE LAW, ALL SERVICE OF PROCESS IN ANY SUCH SUIT, ACTION OR PROCEEDING IN ANY TEXAS OR FEDERAL COURT SITTING IN HARRIS COUNTY, TEXAS (OR SUCH OTHER COUNTY IN TEXAS) MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO GRANTOR AT THE ADDRESS OF GRANTOR FOR THE GIVING OF NOTICES PURSUANT HERETO AND SERVICE SO MADE SHALL BE COMPLETE FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO MAILED.

12.24 Waiver of Judicial Procedural Matters. GRANTOR AND BENEFICIARY, BY ACCEPTANCE OF THIS DEED OF TRUST, ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS DEED OF TRUST, ANY OF THE LOAN DOCUMENTS OR THE SECURED INDEBTEDNESS.

[Signature page follows.]

EXECUTED on the date of acknowledgment below, but to be effective as of the Effective Date.

NOTICE OF INDEMNIFICATION:

GRANTOR HEREBY ACKNOWLEDGES AND AGREES THAT THIS DEED OF TRUST CONTAINS CERTAIN INDEMNIFICATION PROVISIONS PURSUANT TO SECTION 8.3 HEREOF.

GRANTOR:

ALM BURLINGTON, LLC,
a Delaware limited liability company

By: LM Logistics REIT II,
a Texas real estate investment trust,
its sole member

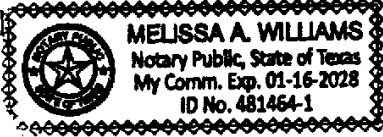
By: *Jason Hans*
Name: JASON HANS
Title: Senior Managing Director

Address for Notice Purposes:

c/o Affinius Capital LLC
9830 Colonnade Blvd., Suite 600
San Antonio, Texas 78230-2239

STATE OF TEXAS §
 §
 §
COUNTY OF BEXAR §

This instrument was ACKNOWLEDGED before me, on June 4, 2024, by *Jason Hans*, as *Senior Managing Director* of LM Logistics REIT II, a Texas real estate investment trust, the sole member of ALM BURLINGTON, LLC, a Delaware limited liability company, on behalf of said sole member and said limited liability company.

[SEAL]  *Melissa A. Williams*
Notary Public, State of Texas

List of Attachments:

- Exhibit A Land Description
- Exhibit B Permitted Exceptions

EXHIBIT A**LAND DESCRIPTION****PARCEL A:**

PARCEL A OF SKAGIT COUNTY BOUNDARY LINE ADJUSTMENT NO. PL20-0036, RECORDED UNDER AUDITOR'S FILE NO. 202104300167, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

LOTS 2F, 2G, AND A PORTION OF 2H, BAY RIDGE BUSINESS PARK BINDING SITE PLAN, BSP NO. PL-03-0706, APPROVED JUNE 8, 2004 AND RECORDED JULY 9, 2004, UNDER AUDITOR'S FILE NO. 200407090108, RECORDS OF SKAGIT COUNTY, WASHINGTON, LYING IN EAST HALF OF THE NORTHEAST QUARTER OF SECTION 3, TOWNSHIP 34 NORTH, RANGE 3 EAST, W.M., SKAGIT COUNTY, WASHINGTON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION 3 AND BEING THE NORTHEAST CORNER OF SAID LOT 2F;
THENCE SOUTH $00^{\circ}17'37''$ WEST, ALONG SAID EAST LINE A DISTANCE OF 557.87 FEET;
THENCE NORTH $89^{\circ}42'23''$ WEST, A DISTANCE OF 20.00 FEET;
THENCE SOUTH $00^{\circ}17'37''$ WEST, A DISTANCE OF 451.40 FEET;
THENCE SOUTH $61^{\circ}13'46''$ WEST, A DISTANCE OF 75.31 FEET;
THENCE SOUTH $30^{\circ}57'26''$ WEST, A DISTANCE OF 153.45 FEET;
THENCE SOUTH $34^{\circ}50'31''$ WEST, A DISTANCE OF 30.14 FEET;
THENCE NORTH $60^{\circ}54'36''$ WEST, A DISTANCE OF 579.99 FEET;
THENCE SOUTH $29^{\circ}05'24''$ WEST, A DISTANCE OF 191.15 FEET;
THENCE SOUTH $51^{\circ}59'17''$ WEST, A DISTANCE OF 27.68 FEET;
THENCE NORTH $60^{\circ}54'35''$ WEST, A DISTANCE OF 588.47 FEET TO THE WEST LINE OF SAID EAST HALF OF THE NORTHEAST QUARTER OF SECTION 3;
THENCE NORTH $00^{\circ}12'19''$ EAST, ALONG SAID WEST LINE, A DISTANCE OF 498.98 FEET;
THENCE SOUTH $89^{\circ}49'08''$ EAST, A DISTANCE OF 646.19 FEET TO THE WESTERLY MARGIN OF BAY RIDGE DRIVE;
THENCE SOUTH $00^{\circ}10'52''$ WEST, ALONG SAID WESTERLY MARGIN A DISTANCE OF 322.29 FEET TO A POINT OF CURVE TO THE LEFT HAVING A RADIUS OF 130.00 FEET AND A CENTRAL ANGLE OF $61^{\circ}05'28''$;
THENCE SOUTHEASTERLY ALONG THE ARC A DISTANCE OF 138.61 FEET;
THENCE SOUTH $60^{\circ}54'36''$ EAST, A DISTANCE OF 536.00 FEET TO AN ANGLE POINT IN SAID BAY RIDGE DRIVE MARGIN;
THENCE NORTH $29^{\circ}05'24''$ EAST, ALONG SAID MARGIN A DISTANCE OF 60.00 FEET TO THE NORTHERLY MARGIN OF BAY RIDGE DRIVE;

THENCE NORTH 60°54'36" WEST, ALONG SAID MARGIN A DISTANCE OF 536.00 FEET TO A POINT OF CURVE TO THE RIGHT HAVING A RADIUS OF 70.00 FEET AND A CENTRAL ANGLE OF 61°05'28";
THENCE NORTHWESTERLY ALONG THE ARC A DISTANCE OF 74.64 FEET;
THENCE NORTH 00°10'52" EAST, A DISTANCE OF 645.21 FEET TO THE NORTHWEST CORNER OF SAID LOT 2F;
THENCE SOUTH 89°49'08" EAST, ALONG THE NORTH LINE OF SAID LOT 2F A DISTANCE OF 614.15 FEET TO THE POINT OF BEGINNING;
SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON

PARCEL B:

A STORM DRAIN EASEMENT, 20' ACCESS AND POND MAINTENANCE EASEMENT, 60'/30' SANITARY SEWER AND WATERLINE EASEMENT AND EASEMENT TO MAINTAIN VEGETATION, AS GRANTED IN INSTRUMENT RECORDED JUNE 22, 2005 UNDER AUDITOR'S FILE NO. 200506220165, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

EXHIBIT "B"**PERMITTED EXCEPTIONS**

1. General and special taxes collected to be levied for the year 2024, a lien not delinquent, not yet due and payable.
2. Covenants, conditions, restrictions, recitals, reservations, easements, easement provisions, dedications, building setback lines, notes, statements, and other matters, as set forth on SHORT PLAT NO. 96-012:

Recording No: 9610110054.
3. Covenants, conditions, restrictions and easements but omitting any covenants or restrictions, as set forth in the documents:

Recording Date: December 8, 1997
Recording No.: 9712080099 AMENDED by instrument(s):
Recording No.: 200506220163
Recording No.: 200510120152
Recording No.: 201802200054
Recording No.: 202010220117
Recording No.: 202111100136
4. Covenants, conditions, restrictions, recitals, reservations, easements, easement provisions, dedications, building setback lines, notes, statements, and other matters, as set forth on BSP NO. PL-03-076:

Recording No: 200407090108
Affidavit of Minor Correction recorded under Recording Number 200408030057.
5. Order on Special Use Permit Application PL09-0046 including the terms, covenants and provisions thereof:

Recording Date: April 20, 2009
Recording No.: 200904200142
6. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Port of Skagit County
Purpose: Ingress, egress, utilities
Recording Date: February 28, 2018
Recording No.: 201802280143
Affects: Portion of said premises as described therein

Said easement is generally as depicted on that ALTA/NSPS Land Title Survey prepared by Owen B. Hille, P.L.S. Washington Registration No. 40016, on behalf of Barghausen Consulting Engineers, Inc., dated May 17, 2024, designated Job Number 20993.

7. A License, and the terms and conditions thereof:

Recording Date: April 30, 2021
Recording No.: 202104300166

8. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Port of Skagit County, A Washington municipal corporation
Purpose: Avigation Recording Date: May 28, 2021
Recording No.: 202105280219

9. Notice Acknowledgement and Waiver Airport and Aircraft Operations and Noise Disclosure Skagit Regional Airport Environs, and the terms and conditions thereof:

Recording Date: May 28, 2021
Recording No.: 202105280220

10. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Owner's Association of Bay Ridge Business Park, a Washington non-profit corporation
Purpose: Ingress and Egress and Utilities
Recording Date: May 28, 2021
Recording No.: 202105280221

Said easement is generally as depicted on that ALTA/NSPS Land Title Survey prepared by Owen B. Hille, P.L.S. Washington Registration No. 40016, on behalf of Barghausen Consulting Engineers, Inc., dated May 17, 2024, designated Job Number 20993.

11. Water Service Contract, and the terms and provisions thereof,

Executed by: Public Utility District No. 1 of Skagit County and ALM Burlington, LLC, a Delaware limited liability company
Recording Date: February 8, 2022
Recording No.: 202202080112, being a re-recording of recording number 202201220087

12. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Public Utility District No. 1 of Skagit County, Washington
 Purpose: utilities
 Recording Date: March 15, 2022
 Recording No.: 202203150125

Said easement is generally as depicted on that ALTA/NSPS Land Title Survey prepared by Owen B. Hille, P.L.S. Washington Registration No. 40016, on behalf of Barghausen Consulting Engineers, Inc., dated May 17, 2024, designated Job Number 20993.

13. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Puget Sound Energy, Inc.
 Purpose: Electric transmission and distribution
 Recording Date: April 19, 2022
 Recording No.: 202204190080, being a re-recording of recording number 202204050045

Said easement is generally as depicted on that ALTA/NSPS Land Title Survey prepared by Owen B. Hille, P.L.S. Washington Registration No. 40016, on behalf of Barghausen Consulting Engineers, Inc., dated May 17, 2024, designated Job Number 20993.

14. Covenants, conditions, restrictions, recitals, reservations, easements, easement provisions, encroachments, dedications, building setback lines, notes, statements, and other matters, as set forth on survey:

Recording No: 202207220034

15. Skagit County Planning & Development Services, Plat Lot of Record Certification

Recording Date: January 20, 2023
 Recording No.: 202301200057

16. Easement(s) for the purpose(s) shown below and rights incidental thereto, as granted in a document:

Granted to: Skagit County, a political subdivision of the State of Washington
 Purpose: access
 Recording Date: January 31, 2023
 Recording No.: 202301310047

17. An unrecorded lease with certain terms, covenants, conditions and provisions set forth therein as disclosed by the document

Entitled: Memorandum of Lease Agreement and Skagit County Right-to-
 Manage Natural Resource Lands Disclosure

Lessor: ALM Burlington, LLC, a Delaware limited liability company
Lessee: Amazon.com Services LLC, a Delaware limited liability company
Recording Date: November 24, 2021
Recording No.: 202111240019

18. Easement dated May 8, 2024, by ALM Burlington, LLC granted to Puget Sound Energy, Inc., filed of record on May 30, 2024, under Instrument No. 202405300006, in Skagit County, Washington.
19. Subordination, Non-Disturbance and Attornment Agreement among VERITEX COMMUNITY BANK, as lender, AMAZON.COM SERVICES LLC, as tenant, and ALM BURLINGTON, LLC, as landlord, filed of record as of the date hereof, in Skagit County, Washington.