Skamania County, WA
Total: $437.00 Pgs=23
TRST AGLS
Request of: COLUMBIA GORGE TITLE- SKAMANIA
eRecorded by: Simplifile

2019-001940
10/08/2019 02:13 PM

RECORDING REQUESTED BY:
AND WHEN RECORDED MAIL TO:

Skamania EDC
P. O. Box 436
Stevenson, WA 98648

Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing

This Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing ("**Deed of Trust**" or "**Security Instrument**") is made this 26 day of September, 2019.

GRANTOR: **Marian Sikora and Lenita Sikora, husband and wife**, whose address is **31 NW Second Street, Stevenson, WA 98648**.

GRANTEE/TRUSTEE: **Columbia Gorge Title Company**, whose address is **41 SW Russell Avenue/P.O. Box 277, Stevenson, WA 98648**.

GRANTEE/BENEFICIARY: **Skamania County Economic Development Council**, a Washington non-profit corporation, whose address is **P.O. Box 436, Stevenson, WA 98648**.

Grantor hereby IRREVOCABLY GRANTS, BARGAINS, SELLS, CONVEYS, TRANSFERS, AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, for the benefit of the Beneficiary all of the Grantor's present and future estate, right, title, claim, and interest, either in law or equity, in and to the following (hereinafter referred to collectively as the "**Property**"):

The real property described herein or by Exhibit A, pg 23 attached hereto and incorporated herein by this reference, in **Skamania County, Washington** (hereafter called "**Premises**").

Tax Parcel Nos.: **03073644360000**
Abbreviated Legal Description(s): Ptn. Lot 16, Blk 7 RIVERVIEW ADD Bk A/Pg 21

TOGETHER WITH all buildings, structures, improvements, and articles of property now or hereafter attached to, or used or adapted for use in the operation of, the Premises, including, but not limited to, all heating equipment, piping and plumbing fixtures, cooling, ventilating, sprinkling and vacuum cleaning systems, fire extinguishing apparatus, cabinets, window coverings, all landscaping, and all interest of any owner of the Premises in any of such items replaced, added to or hereafter acquired in any manner whatsoever, all of which property mentioned in this paragraph shall be deemed part of the realty and not severable wholly or in part without material injury to the Property;

EXHIBIT A: PROPERTY LEGAL DESCRIPTION

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TOGETHER WITH the lands, easements, appurtenances, rents, royalties, receipts, water, mineral, oil, and/or gas rights and profits, SUBJECT, HOWEVER, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, royalties, receipts, and profits as provided for herein; and

TOGETHER WITH all present and future right(s), title, and interest of Grantor in and to all furniture, equipment, and other tangible personal property on or used in the operation of the Premises or Property, including, but not limited to: accounts, general intangibles, chattel paper, deposit accounts, money, rents, daily receipts, income, accounts receivable, instruments, and documents (as those terms are defined in the Washington Uniform Commercial Code), and all other agreements arising in connection with or derived from the Property or the ownership, use, maintenance, management, operation, marketing, leasing, occupancy, or financing of the Property, permits, approvals, and other governmental authorizations, improvement plans and specifications and architectural drawings, agreements with contractors, subcontractors, suppliers, designers, architects, engineers, leasing agents, consultants, and property managers, warranties, guaranties, indemnities, and insurance policies, together with insurance payments and unearned insurance premiums, claims, demands, awards, settlements, and other payments arising or resulting from or otherwise relating to any insurance or any loss or destruction of, injury or damage to, the taking or condemnation (or conveyance in lieu of condemnation) or public use of any of the Property, leases, rental agreements, license agreements, service and maintenance agreements, purchase and sale agreements and purchase options, together with advance payments, security deposits and other amounts paid to or deposited with Grantor under any such agreements, bonds, deferred payments, refunds, rebates, discounts, escrow proceeds, sale proceeds, and other rights to the payment of money, trade names, trademarks, goodwill, and all supplements, modifications, amendments, renewals, extensions, replacements of or to any of such property (the "**Intangibles**").

THIS DEED OF TRUST IS MADE FOR THE PURPOSE OF SECURING PERFORMANCE of each covenant, agreement, term, and condition contained herein, in the Loan Agreement dated of even date herewith among Beneficiary, Artbliss Hotel, LLC ("**Borrower**"), Grantor and Thomas Sikora, in the Commercial Promissory Note ("Note") dated of even date herewith, made by Borrower in favor of Beneficiary, in the principal amount of $120,000, including interest thereon, and all renewals, modification, or extensions thereof, and such other sums as may be advanced or loaned to borrower, and in the Guarantees made by Grantor dated of even date herewith pursuant to which Grantor is guaranteeing the payment and performance of Borrower under the Loan Agreement and Note. The Loan Agreement, the Note, the Guarantees made by Grantor, the additional Guarantee made by Thomas Sikora, and this Deed of Trust are collectively referred to herein as the "**Loan Documents**". The Deed of Trust does not secure the Guarantees. Grantor is the father and stepmother of Thomas Sikora, a member of Borrower, and has agreed to guaranty the Loan pursuant to the terms of the Guaranty and Loan Agreement and to grant Beneficiary a security interest in the Premises to facilitate the Loan. In view of the relationship between Grantor and Borrower, the consideration from Beneficiary to Borrower will inure to the benefit of Grantor.

THIS DEED OF TRUST IS ALSO MADE FOR THE PURPOSE of securing prompt and

complete performance of each and every obligation, covenant, and agreement of Grantors and Borrower contained in the Loan Documents and/or any other instrument heretofore or hereafter executed by Grantor and Borrower having reference to or arising out of the indebtedness represented by the Note, or given as security for the Note, including, but not limited to, any one or more of the following documents executed by Grantors or an affiliate of Grantors in connection with the indebtedness evidenced by the Note: Grantor's Certificate of Rent Roll and Financing Statement (collectively called "**Related Agreements**"), but expressly excluding any Hazardous Substances Indemnity Agreement executed by Grantor (which, for the avoidance of doubt, shall not be "Related Agreements") and any provisions of the other loan documents that are their substantial equivalents.

ARTICLE 1
COVENANTS AND WARRANTIES

GRANTOR COVENANTS AND AGREES AS FOLLOWS:

1.1 Performance of Obligations Secured. Grantor shall promptly pay and perform Grantor's obligations under the Loan Documents to which Grantor is a Party, and all other obligations of Grantor contained in any of the Related Agreements. All sums payable by Grantor hereunder and thereunder shall be paid without demand, counterclaim, offset, deduction, or defense and Grantor waives all rights now or hereinafter conferred by statute or otherwise to any such demand, counterclaim, offset deduction, or defense.

1.2 Warranties of Title. Grantor is seized in fee simple of the Property and owns every part thereof; there are no liens or encumbrances against or upon the same, including, but not limited to, leases, except as disclosed to Beneficiary, and none superior to this Deed of Trust will be created by Grantor during the term of this Deed of Trust. Grantor represents that Grantor is not in violation of any governmental requirement or in default under any agreement to which she is bound, or which affects her or any of the Property, and the execution, delivery, and performance of this Deed of Trust, the other Loan Documents to which Grantor is a Party, or any of the Related Agreements in accordance with their terms and the use and occupancy of the Property will not violate any governmental requirement, or conflict with, be inconsistent with, or result in any default under, any of the provisions of any articles, bylaws, mortgage, security instrument, easement, restriction of record, contract, agreement, or instrument of any kind to which Grantor is bound or which affects her or any of the secured Property. Further, Grantor warrants that there are no proceedings of any kind pending, or, to the knowledge of Grantor, threatened against or affecting Grantor, the Property (including any attempt or threat by any governmental authority to condemn or rezone all or any portion of the Property), or involving the validity, enforceability, or priority of this Deed of Trust, the Note, or any of the Related Agreements or enjoining or preventing or threatening to enjoin or prevent the use and occupancy of the Property or the performance by Grantor of her obligations hereunder, and there are no rent controls, governmental moratoria, or environmental controls presently in existence, or, to the knowledge of Grantor, threatened or affecting the Property. Grantor represents that Grantor has the right and authority to execute this Deed of Trust and will forever warrant and defend the Property unto Beneficiary, its successors and assigns, against every person whomsoever lawfully

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claiming or to claim the same or any part thereof. Grantor's warranties of title extend to after-acquired property whether acquired as replacements for property now owned by Grantor, as additional items of property attached to or used or adapted for use in the operation of the Premises, or otherwise, all of which property shall be owned by Grantor outright, free of liens or encumbrances.

1.3 Use of Proceeds. The monies received from Beneficiary shall be used, and Borrower is borrowing such monies, for commercial purposes and not for personal, family, or household purposes.

1.4 Security Agreement/Fixture Financing Statement. This Deed of Trust shall be deemed to be a Security Agreement pursuant to the Washington Uniform Commercial Code ("**UCC**"). Grantor hereby grants Beneficiary a security interest in for any and all items of personal property and goods, as defined in the UCC (goods) and intangibles described herein or in any Financing Statement subsequently filed with the Washington Secretary of State or the county recorder of the county in which the Property is located and which are not herein effectively made part of the real property and in all additions thereto, substitutions therefor, and proceeds thereof, for the purpose of securing all indebtedness and other obligations of Grantor secured by this Deed of Trust. This Deed of Trust constitutes a Financing Statement filed as a fixture filing in the official records of the county recorder of the county in which the Property is located with respect to any and all fixtures included on or within the Property and Premises as used herein and with respect to any goods or other personal property that may now be or hereafter become such fixtures. The mailing address of the Borrower (debtor) is set forth on the first page of this Deed of Trust and the address of the Beneficiary (secured party) party from which information concerning the security interest may be obtained is the address of the Beneficiary (as secured party) set forth on the first page of this Deed of Trust.

Grantor agrees to execute and deliver and authorizes Beneficiary to file and/or record financing and continuation statements covering the Property from time to time and in such form as Beneficiary may require to perfect and continue the perfection of Beneficiary's lien or security interest with respect to said Property. Grantor shall pay all costs of filing such statements and renewals and releases thereof and shall pay all reasonable costs and expenses of any record searches for financing statements Beneficiary may reasonably require. Upon the occurrence of any default of Grantor hereunder, Beneficiary shall have the rights and remedies of a secured party under the Washington Uniform Commercial Code, as well as all other rights and remedies available under this Deed of Trust or at law or in equity.

Grantor may from time to time replace items of personal property and fixtures constituting a part of the Property, provided that (1) the replacements for such items of personal property or fixtures are of equivalent value and quality; and (2) Grantor has good and clear title to such replacement property free and clear of any and all liens, encumbrances, security interests, ownership interests, claims of title (contingent or otherwise), or charges of any kind, or the rights of any conditional sellers, vendors, or any other third parties in or to such replacement property have been expressly subordinated at no cost to Beneficiary to the lien of the Deed of Trust in a manner satisfactory to Beneficiary; and (3) at the option of Beneficiary, Grantor provides at no

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cost to Beneficiary a satisfactory opinion of counsel to the effect that the Deed of Trust constitutes a valid and subsisting first lien on and security interest in such replacement property and is not subject to being subordinated or the priority thereof affected under any applicable law, including, but not limited to, the provisions of the Washington Uniform Commercial Code.

1.5 Maintenance of Premises; Compliance with Laws. Grantor shall maintain the buildings and other improvements on the Premises in good condition and repair; not remove or demolish any building thereon; complete or restore promptly and in good workmanlike manner any building which may be constructed, damaged, or destroyed thereon and pay when due all claims for labor performed and materials furnished therefor; not commit or permit waste thereof; comply with all requirements of the federal, state, and local authorities and all other laws, ordinances, regulations, covenants, conditions, and restrictions now or hereafter respecting the Property or the use thereof and pay all fees or charges of any kind in connection therewith. Proof of impairment of security shall be unnecessary in any suit, action, or proceeding under this paragraph. Grantor shall permit Beneficiary and its agents the opportunity to annually inspect the Property, including the interior of any structures, at reasonable times and after 10 days' written notice, or immediately, without notice in the event of a default.

1.6 **No Junior Financing**. Grantor hereby (i) represents that, as of the date hereof, there are no encumbrances on the Property to secure debt other than this Deed of Trust (except as permitted in writing by Beneficiary), and there will be none as of the date when this Deed of Trust becomes of record, and (ii) covenants and agrees that it will not encumber the Property to secure debt, except for others disclosed and agreed to by Beneficiary after the date hereof.

1.7 Insurance. Grantor shall provide, maintain, and deliver to Beneficiary: (a) a policy of fire insurance and extended coverage insurance insuring all the Property to the full insurable replacement value against loss or damage by fire and other risks embraced by coverage of the type now known as the broad form of extended coverage, including, but not limited to, vandalism and malicious mischief, and against such other risks and hazards as Beneficiary may from time to time reasonably request; and (b) such other insurance as Beneficiary may from time to time reasonably request against the same or other insurable hazards. All insurance shall contain waiver of subrogation clauses and loss payable clauses (without contribution) in favor of Beneficiary. Grantor shall deliver all policies to Beneficiary, which delivery shall constitute an assignment to Beneficiary of all return premiums. Grantor shall keep the above insurance and such other coverage reasonably requested by Beneficiary with carrier(s), in amounts and in form at all times reasonably satisfactory to Lender, which carrier(s), amounts, and form shall not be changed without the prior written consent of Beneficiary. All insurance policies shall be non-cancelable and not subject to material change by any party without thirty (30) days' prior written notice to Beneficiary. Beneficiary may, at its option, require Grantor to maintain said required policies in Grantor's possession in lieu of delivering said policies to Beneficiary, in which event, said policies shall be kept available by Grantor at all times for return to Beneficiary or for inspection by Beneficiary, its agents, or insurers, and said requirement may be withdrawn by Beneficiary at any time.

If Grantor obtains earthquake, flood, or any other hazard insurance, or any other

insurance on the Property and such insurance is not specifically required by Beneficiary, then such insurance shall name Beneficiary under a standard mortgage endorsement as loss payee and be subject to all of the provisions of this Section 1.7.

Grantor further assigns to Beneficiary any return premiums, refunds, or other repayments upon any insurance at any time provided for the benefit of Beneficiary, and Beneficiary may at any time collect said return premiums, repayments, or refunds, notwithstanding that no sum secured hereby be overdue when such right to collection be asserted. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

1.8 Discharge of Liens. Grantor shall pay when due all rents, taxes, assessments, and encumbrances, charges, or liens affecting said property or any part thereof, which appear to be prior or superior hereto. Beneficiary may, at its option (but is not obligated to do so), pay any such sums, however, Beneficiary shall not be liable to Grantor for failure to exercise such option.

1.9 Actions; Indemnity; Modification; Costs. Grantor shall appear in and defend any suit, action, or proceeding that might affect the priority or enforceability of this Deed of Trust or the value of this Deed of Trust, or the Property itself or the rights and powers of Beneficiary or Trustee. Should Beneficiary or Trustee elect also to appear in or defend any such suit, action, or proceeding, or be made a party to such by reason of the Deed of Trust, or elect to prosecute such action as appears necessary to preserve said value, Grantor shall indemnify and, on demand, reimburse Beneficiary or Trustee for, any and all loss, damage, expense, or cost, including cost of evidence of title and attorney's fees, arising out of or incurred in connection with any such suit, action, or proceeding. Grantor shall pay all costs and expenses of Beneficiary or Trustee, including attorney's fees incurred in connection with any amendment, modification, or extension hereof or of the Note or any other agreement affecting the Premises, including a request to consent to a transfer of any interest in the Premises. Grantor shall pay all costs and expenses incurred by Beneficiary in enforcing this Deed of Trust, the other Loan Documents to which Grantor is a Party, or Related Agreements and any costs of suit, costs of evidence of title and attorney's fees in any suit, action, or proceeding brought by Beneficiary to foreclose this Deed of Trust. The sum of all such expenditures referred to in this paragraph or incurred in exercise of rights or options otherwise granted to Beneficiary or Trustee in this Deed of Trust shall be secured by this Deed of Trust with interest as provided in the Note, and shall be due and payable on demand.

1.10 Condemnation, Assignment of Rights.

(a) Grantor shall within three (3) business days of receipt of notice thereof, notify Beneficiary of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Grantor shall, after consultation with and subject to Beneficiary's approval, appear in and prosecute any such action or proceeding. Upon Grantor's failure to act in accordance with Beneficiary's prior approval,

Grantor authorizes Beneficiary, at Beneficiary's option, as attorney in fact for Grantor (such appointment as attorney in fact is coupled with an interest), to commence, appear in, and prosecute, in Beneficiary's or Grantor's name, any action or proceeding relating to any condemnation or other taking of the Property, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment, or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Beneficiary and in accordance with the provisions of Section 1.10(b) below. Beneficiary is authorized (but is under no obligation) to collect any such proceeds.

(b) Beneficiary may, in its sole discretion, elect to (i) apply the net proceeds of any condemnation award (after deduction of Beneficiary's reasonable costs and expenses, if any, in collecting the same) in reduction of the Grantor's indebtedness to Beneficiary in such order and manner as Beneficiary may elect, whether due or not or (ii) make the proceeds available to Grantor for the restoration or repair of the Property. Any implied covenant in this Deed of Trust restricting the right of Beneficiary to make such an election is waived by Grantor. In addition, Grantor hereby waives the provisions of any law prohibiting Beneficiary from making such an election.

(c) Provided no Event of Default then exists and Grantor certifies as to same, if Beneficiary in its sole and absolute discretion elects to make all or any part of the net proceeds of the condemnation award (after deduction of Beneficiary's reasonable costs and expenses, if any, in collecting the same) available to Grantor for restoration or repair, then any excess proceeds remaining after completion of such repair shall be distributed first to Grantor to the extent Grantor has deposited funds with Beneficiary for such repair with the balance applied against the indebtedness pursuant to the Note. Notwithstanding the foregoing, it shall be a condition precedent to any disbursement of net condemnation proceeds held by Beneficiary hereunder that Beneficiary shall have approved (i) all plans and specifications for any proposed repair or restoration, (ii) the construction schedule, and (iii) the architect's and general contractor's contract for all restoration. Beneficiary may establish other conditions reasonably necessary to assure the work is fully completed in a good and workmanlike manner free of all liens or claims by reason thereof, and in compliance with all applicable laws, rules, and regulations. At Beneficiary's option, the net condemnation proceeds shall be disbursed pursuant to a construction escrow acceptable to Beneficiary.

(d) Assignment of Proceeds. Grantor hereby absolutely and irrevocably assigns to Beneficiary, and authorizes the payor to pay to Beneficiary, the following claims, causes of action, awards, payments, and rights to payment:

(i) all awards of damages and all other compensation payable directly or indirectly because of a condemnation, proposed condemnation, or taking for public or private use which affects all or part of the Property or any interest in it; and

(ii) all other awards, claims, and causes of action, arising out of any warranty affecting all or any part of the Property, or for damage or injury to or decrease in value of all or part of the Property or any interest in it; and

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(iii) all proceeds of any insurance policies payable because of damage or loss sustained to all or part of the Property, whether required pursuant to the Loan Documents or otherwise maintained by Grantor; and

(iv) all interest which may accrue on any of the foregoing.

1.11 No Impairment of Security. Grantor shall not, without first obtaining Beneficiary's written consent, change the general nature of the occupancy of the Premises or initiate or acquiesce in any zoning reclassification, or do or suffer any act or thing which would impair the security for the indebtedness secured hereby or Beneficiary's lien upon the Premises.

1.12 Financial Statements, Rent Rolls. Grantor shall keep and maintain at all times at Grantor's address stated above, or such other place as Beneficiary may approve in writing, and provide Beneficiary upon request, complete and accurate books of accounts and records adequate to reflect correctly the results of the operation of the Property and copies of all written contracts, leases, and other instruments which affect the Property. Such books, records, contracts, leases, and other instruments shall be subject to examination and inspection at any reasonable time by Beneficiary.

Within sixty (60) days of Grantor's fiscal year end, Grantor shall, upon Beneficiary's written request, furnish operating statements for the Property, including an income statement and financial statements for the Grantor (if applicable). Grantor shall also furnish personal financial statements for any individual Maker or Guarantor of any obligations secured hereby. Annually, Grantor shall supply a current rent schedule for the Property and expiration dates for each of the leases, together with an itemized list of moneys held as security deposits and the identity of the institution wherein such funds are deposited. Upon request by Beneficiary, Grantor will also supply copies of all of the leases.

1.13 Inspection. Grantor warrants and agrees that after ten (10) days' written notice by Beneficiary, Beneficiary may at a reasonable time during regular business hours, make or cause to be made, entry upon and inspection of the Property, Improvements, or any part thereof in person or by agent, or immediately, without notice, in the event of default.

ARTICLE 2

ASSIGNMENT OF LEASES, RENTS AND PROFITS

2.1 Attornment and Estoppel Certificate. Grantor shall include in every Lease or rental agreement an attornment and estoppel provision and shall provide Beneficiary with an Attornment and Estoppel Certificate in a form acceptable to Beneficiary from every tenant of the Property.

2.2 Assignment of Rents. All of Grantor's interest in any leases or other occupancy agreements pertaining to the Property now existing or hereafter entered into, and all of the rents, royalties, issues, profits, revenue, income, and other benefits of the Property arising from the use or enjoyment of all or any portion thereof or from any lease or agreement pertaining to

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occupancy of any portion of the Property now existing or hereafter entered into, whether now due, past due, or to become due, and including all prepaid rents and security deposits (the "**Rents and Profits**"), are hereby absolutely, presently, and unconditionally assigned, transferred, conveyed, and set over to Beneficiary to be applied by Beneficiary in payment of the principal and interest and all other sums payable on the Note, and of all other sums payable under this Deed of Trust. Such assignment is intended to be specific, perfected, and choate upon recording of this Deed of Trust as provided in RCW 7.28.230(3). Prior to the occurrence of an Event of Default (hereinafter defined), Grantor shall have a license to collect and receive all Rents and Profits, which license shall be terminable at the option of Beneficiary, without regard to the adequacy of its security hereunder and without written notice to or demand upon Grantor, upon the occurrence of an Event of Default. It is understood and agreed that neither the foregoing assignment of Rents and Profits to Beneficiary nor the exercise by Beneficiary of any of its rights or remedies under ARTICLE 4 hereof shall be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Property, the use, occupancy, enjoyment, or operation of all or any portion thereof, unless and until Beneficiary, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Property by any court at the request of Beneficiary or by agreement with Grantor, or the entering into possession of the Property or any part thereof by such receiver, be deemed to make Beneficiary a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Property or the use, occupancy, enjoyment, or operation of all or any portion thereof. Upon the occurrence of an Event of Default, this provision shall constitute a direction and demand to each lessee under any lease and each guarantor of any lease to pay all Rents and Profits to Beneficiary without proof of the default relied upon. Grantor hereby irrevocably authorizes each lessee and guarantor to rely upon and comply with any notice or demand by Beneficiary for the payment to Beneficiary of any Rents and Profits due or to become due. Grantor hereby irrevocably appoints Beneficiary her true and lawful attorney-in-fact, with full power of substitution and with full power for Beneficiary in its own name and capacity or in the name and capacity of Grantor to demand and collect any and all Rents and Profits and to file any claim or take any other action or proceeding and make any settlement regarding the Leases; provided, however, Beneficiary shall only exercise such power of attorney if Grantor is in default of any payment or in breach of any material term or provision herein and only until Grantor is no longer in default of any payment or in breach of any material term or provision herein.

2.3 Warranties.

(a) Grantor warrants as to each lease now covering all or any part of the Property that: (1) each lease is in full force and effect; (2) no default exists on the part of the lessee thereunder or Grantor; (3) no rent has been collected more than one month in advance; (4) no lease or any interest therein has been previously assigned or pledged; (5) no lessee under any lease has any defense, setoff, or counterclaim against Grantor; (6) all rent due to date under each lease has been collected and no concession has been granted to any lessee in the form of a waiver, release, reduction, discount, or other alteration of rent due or to become due; and (7) the interest of the lessee under each lease is as lessee only, with no options to purchase or rights of first refusal. All the foregoing warranties shall be deemed to be reaffirmed and to continue until performance in full of the obligations under this Deed of Trust. Beneficiary shall not be bound

by any oral or written assignment, surrender, release, waiver, cancellation, amendment, or modification of the Lease made without the written consent of the Beneficiary.

(b) Without the prior written consent of Beneficiary, Grantor shall not (1) accept prepayments of rent exceeding one month under any leases of any part of the Property; (2) take any action under or with respect to any such leases which would decrease the monetary obligations of the lessee thereunder or otherwise materially decrease the obligations of the lessee or the rights or remedies of the lessor; (3) modify or amend any such leases or, except where the lessee is in default, cancel or terminate the same or accept a surrender of the leased premises, provided, however, that Grantor may renew, modify, or amend leases in the ordinary course of business so long as such action does not decrease the monetary obligations of the lessee thereunder, or otherwise decrease the obligations of the lessee or the rights or remedies of the lessor; (4) consent to the assignment or subletting of the whole or any portion of the lessee's interest under any lease which has a term of more than five years; (5) create or permit any lien or encumbrance which, upon foreclosure, would be superior to any such leases; or (6) in any other manner impair Beneficiary's rights and interest with respect to the Rents and Profits.

2.4 Performance of Landlord Obligations. Grantor shall at all times perform the obligations of lessor under all such leases. Grantor shall not execute any further assignment of any of the Rents and Profits or any interest therein or suffer or permit any such assignment to occur by operation of law.

2.5 Beneficiary's Rights. Beneficiary shall be deemed to be the creditor of each lessee in respect of any assignments for the benefit of creditors and any bankruptcy, arrangement, reorganization, insolvency, dissolution, receivership, or other debtor-relief proceedings affecting such lessee (without obligation on the part of Beneficiary, however, to file timely claims in such proceedings or otherwise pursue creditor's rights therein). Beneficiary shall have the right to assign Grantor's right, title, and interest in any leases to any subsequent holder of this Deed of Trust or any participating interest therein or to any person acquiring title to all or any part of the Property through foreclosure or otherwise. Any subsequent assignee shall have all the rights and powers herein provided to Beneficiary. Beneficiary shall have the authority in the event of default, as Grantor's attorney-in-fact, such authority being coupled with an interest and irrevocable, to sign the name of Grantor and to bind Grantor on all papers and documents relating to the operation, leasing, and maintenance of the Property.

ARTICLE 3

EVENTS OF DEFAULT

The following shall each constitute an "**Event of Default**":

3.1 Failure by Borrower or Grantor to make any payment of principal or interest under the Note, Loan Agreement, Guaranty, or any Related Agreement or Loan Documents, when due and payable, whether at maturity or by acceleration or as part of any prepayment or otherwise, or default in the performance of any of the covenants or agreements contained in the Note, Loan Agreement, or Guaranty or default in the performance of any of the covenants or

agreements contained herein or in any Related Agreement or Loan Documents, after the expiration of the period of time, if any, permitted for cure of such default thereunder, or the occurrence of an "Event of Default" (as such term is defined in the applicable Loan Document).

3.2 The appointment, pursuant to an order of a court of competent jurisdiction of a trustee, receiver, or liquidator of the Property or any part thereof, or of Grantor or Borrower, or any termination or voluntary suspension of the transaction of business of Grantor or Borrower, or any attachment, execution, or other judicial seizure of all or any substantial portion of Grantor's assets which attachment, execution, or seizure is not discharged within thirty (30) days.

3.3 The Grantor or Borrower shall file a voluntary case under any applicable bankruptcy, insolvency, debtor relief, or other similar law now or hereafter in effect, or shall consent to the appointment of or taking possession by a receiver, liquidator, trustee, or similar official, of the Grantor or Borrower or for any part of the Property or any substantial part of Grantor's or Borrower's property, or shall make any general assignment for the benefit of Grantor's creditors, or shall fail generally to pay Grantor's or Borrower's debts as they become due or shall take any action in furtherance of any of the foregoing.

3.4 The entry by a court having jurisdiction of a decree or order for relief in respect of Grantor or Borrower, in any involuntary case brought under any bankruptcy, insolvency, debtor relief, or similar law now or hereafter in effect, or Grantor or Borrower shall consent to or shall fail to oppose any such proceeding, or any such court shall enter a decree or order appointing a receiver, liquidator, trustee, or similar official, of Grantor or Borrower or for any part of the Property or any substantial part of Grantor's or Borrower's property, or ordering the winding up or liquidation of the affairs of Grantor or Borrower, and such decree or order shall not be dismissed within sixty (60) days after the entry thereof.

3.5 Default under the terms of any agreement of guaranty or indemnity relating to the indebtedness evidenced by the Note, Loan Agreement, Related Agreements, or other Loan Documents, including the Guaranty, or the revocation, limitation, or termination of the obligations of any guarantor of the Note, Loan Documents, or Related Agreements or any indemnitor, except in accordance with the express written terms of the instrument of guaranty or indemnity.

3.6 If Grantor or Borrower is other than a natural person, without the prior written consent of Beneficiary in each case, (a) the dissolution or termination of existence of Grantor or Borrower voluntarily or involuntarily, whether by reason of death of Grantor or Borrower or a general partner of Grantor or Borrower or otherwise; (b) the amendment or modification in any respect of Grantor's or Borrower's agreement of partnership or its corporate resolutions relating to this transaction; or (c) the distribution of any of Grantor's or Borrower's capital which may impair Beneficiary's interest in the Property or which adversely impacts Grantor's or Borrower's ability to repay the indebtedness, except for distribution of the proceeds of the loan secured hereby and cash from operations; as used herein, cash from operations shall mean any cash of Grantor or Borrower earned from operation of the Property, but not from a sale or refinancing of the Property or from borrowing, available after paying all ordinary and necessary current expenses of Grantor or Borrower, including expenses incurred in the maintenance of the

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Property, and after establishing reserves to meet current or reasonably expected obligations of Grantor or Borrower.

3.7 Any representation, warranty, or disclosure made to Beneficiary by Grantor or any other guarantor or maker of any indebtedness secured hereby in connection with or as an inducement to the making of the loan evidenced by the Note or in connection with or as an inducement to the making of any further advance, this Deed of Trust, Loan Agreement, any of the Related Agreements, Loan Documents, or the Guaranty, proving to be false or misleading in any material respect as of the time the same was made, whether or not any such representation or disclosure appears as part of this Deed of Trust.

ARTICLE 4

REMEDIES

Upon the occurrence of an Event of Default, the Trustee and/or Beneficiary shall have the following rights and remedies:

4.1 Performance Option of Beneficiary and Trustee. Should Grantor or Borrower fail to make any payment or to do any act as herein provided, Beneficiary or Trustee, may, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof: (a) make or do the same in such manner and to such extent as either may deem necessary in the exercise of its absolute discretion to protect the security hereof, Beneficiary or Trustee being authorized to enter upon the Premises for such purposes; (b) commence, appear in, and defend any suit, action, or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (c) pay, purchase, contest, or compromise any encumbrance, charge of lien which, in the judgment of either, appears to be prior or superior hereto; and (d) in exercising any such power, incur any liability, expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title, employ counsel, and pay reasonable fees.

4.2 Repayment of Advances and Interest. Grantor shall immediately repay upon demand, all sums expended or advanced hereunder by or on behalf of Beneficiary or Trustee, with interest from the date of such advance or expenditure as provided in the Note (but not in any event to exceed the maximum interest rate permissible by law) until paid, and the repayment therefor shall be secured hereby, it being agreed by Grantor that any such expenditure or advance is to protect the security hereof and constitutes a part of the loan transaction in connection with which the Note was executed. In addition, Grantor agrees to pay all costs and expenses incurred by Beneficiary or Trustee in any action or foreclosure to enforce the terms of the Note, Loan Agreement, any Guaranty, Deed of Trust, or Related Agreement(s) or Loan Documents together with reasonable attorney's fees.

4.3 Appointment of Receiver. Beneficiary shall be entitled (without notice and without regard to the adequacy of any security for the indebtedness secured hereby) to the appointment of a receiver of the rents and profits of the Property, and such receiver shall have, in addition to all the rights and powers customarily given to and exercised by such receiver, all the

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rights and powers granted to Beneficiary contained herein.

4.4 Entry. Beneficiary, at its option, may in person or by agent or by court-appointed receiver, enter upon, take possession of, manage, and operate the Property or any part thereof and do all things necessary or appropriate in Beneficiary's sole discretion in connection therewith, including, but not limited to, making, enforcing, or modifying any leases now or hereinafter in effect on the Property or any part thereof, evicting tenants, fixing or modifying rents, contracting for and making repairs and alterations, and otherwise doing any act or incurring any cost or expense which Beneficiary deems proper to protect the security hereof. Beneficiary may further, with or without so taking possession, in its own name or in the name of Grantor, sue for or otherwise collect and receive the Rents and Profits, including those past due and unpaid, and apply the same less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of the Property, or any part thereof, and the collection of any Rents and Profits and the application thereof as aforesaid shall not cure or waive any default theretofore or thereafter occurring or affect any notice or default hereunder or invalidate any act done pursuant to any such default or notice, and, notwithstanding continuance in possession of the Property or any part thereof by Beneficiary, Grantor, or a receiver, and the collection, receipt, and application of the Rents and Profits. Beneficiary shall be entitled to exercise every right provided for in this Deed of Trust, the Loan Documents, or by law or in equity upon or after the occurrence of a default, including, without limitation, the right to exercise the power of sale. Any of the actions referred to in this Section may be taken by Beneficiary irrespective of whether any notice of default or election to sell has been given hereunder and without regard to the adequacy of the security for the indebtedness hereby secured, provided such actions comply with all applicable laws.

4.5 Due on Sale/Transfer. Beneficiary shall have the right, at its option, to declare any indebtedness and obligations under the Note, the other Loan Documents, Guaranty, and this Deed of Trust, irrespective of the maturity date specified therein, immediately due and payable in full without forfeiture of any prepayment charge if: (1) Grantor or any one or more of the persons comprising Grantor sells, enters into a contract of sale, conveys, alienates, or encumbers the Property or any portion thereof or any fractional undivided interest therein; (2) suffers Grantor's title or any interest therein to be divested or encumbered, whether voluntary or involuntary; (3) leases for a term of more than six years (including option to renew), leases with an option to sell, or changes or permits to be changed the character or use of the Property without Beneficiary's written consent; (4) there is any merger, consolidation, or dissolution involving the sale or transfer of all or substantially all of the assets of Grantor, any general partner of Grantor, or any manager of a limited liability company Grantor; (5) there is any direct or indirect transfer (at one time or over any period of time) of 25% or more of the voting stock of (i) a corporate Grantor, (ii) any corporate general partner of Grantor, or (iii) any corporation which is the direct or indirect owner of 25% or more of the beneficial interest in Grantor or any general partner of Grantor; (6) there is any direct or indirect transfer of any general partnership interest if Grantor is a general or limited partnership; (7) there is any direct or indirect transfer (at one time or over any period of time) of 25% or more of the membership interests of: (i) a limited liability company Grantor, (ii) any limited liability company general partner of Grantor, or (iii) any

limited liability company which is the direct or indirect owner of 25% or more of the beneficial interest of Grantor or any general partner of Grantor; or (8) there is any direct or indirect transfer of any interest in any manager of a limited liability company Grantor. This provision shall apply to each and every sale, transfer, encumbrance, or conveyance, regardless whether or not Beneficiary has consented to, or waived, Beneficiary's rights hereunder, whether by action or non-action, in connection with any previous sale, transfer, or conveyance.

4.6 Pursue Remedies. When any obligation secured herein or any part thereof shall become due, whether by acceleration or otherwise, Beneficiary may, either with or without entry or taking possession as herein provided or otherwise, proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy to: (a) enforce payment of the Note or the performance of any term, covenant, condition, or agreement of Grantor or Borrower under any of the Related Agreements or Loan Documents (including the Guaranty and Loan Agreement); (b) foreclose the lien hereof for the indebtedness pursuant to the Note and Guaranty or part thereof by power of sale, commencement of action, or otherwise, as more particularly described in Section 4.7 below or otherwise and sell the Property as an entirety or otherwise, as Beneficiary may determine; and/or (c) pursue any other right or remedy available to it under or by the law and decisions of the State in which the Property is located. Notwithstanding any statute or rule of law to the contrary, the failure to join any tenant or tenants of the Property as a party defendant or defendants in any foreclosure action or the failure of any such order or judgment to foreclose their rights shall not be asserted by Grantor as a defense in any civil action instituted to collect (a) the obligations secured herein, or any part thereof or (b) any deficiency remaining unpaid after foreclosure and sale of the Property.

4.7 Trustee's Sale. Should Beneficiary elect to foreclose by exercise of the power of sale contained herein, Beneficiary shall notify Trustee which notice shall specify the nature of the Event of Default and shall, if required, deposit with Trustee the Note, the original or a certified copy of this Deed of Trust, and such other documents, receipts, and evidences of expenditures made and secured hereby as Trustee may require.

(a) Upon receipt of such notice from Beneficiary, Trustee shall cause to be given to Grantor such notice of default as may then be required by law. Trustee shall, without demand on Grantor, after lapse of such time as may then be required by law and after the giving and recordation of notice of sale and after advertisement as required by law, sell the Property at the time and place of sale fixed by it in said notice of sale or as required by law, either as a whole or in separate lots or parcels or items as Trustee shall deem expedient, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United State payable at the time of sale. Trustee shall deliver to the purchaser or purchasers at such sale its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person other than Trustee, including, without limitation, Grantor or Beneficiary, may purchase at such sale, and Grantor hereby covenants to warrant and defend the title of such purchaser or purchasers. If Beneficiary purchases at such sale, Beneficiary may credit against its bid the outstanding amounts then secured hereby.

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(b) Trustee may postpone the sale of all or any portion of the Property from time to time in accordance with the laws of the State in which the Premises are located.

(c) To the fullest extent allowed by law, Grantor hereby expressly waives any right which it may have to direct the order in which any of the Property shall be sold in the event of any sale or sales pursuant to this Deed of Trust.

4.8 Mixed Collateral. Upon the occurrence of an Event of Default under this Deed of Trust, Beneficiary, pursuant to appropriate statutory provisions, shall have an option to proceed with respect to both the real property portion of the Property and any personal property and intangibles in accordance with its rights, powers, and remedies with respect to such real property. Such option shall be revocable by Beneficiary as to all or any portion of the personal property at any time prior to the sale of the remainder of the Property. In such event Beneficiary shall designate Trustee to conduct the sale of the personal property in combination with the sale of the remainder of the Property. Should Beneficiary elect to sell the personal property, intangibles, or any part thereof which is real property or which Beneficiary has elected to treat as real property or which may be sold together with the real property as provided above, Beneficiary or Trustee shall give such notice of default and election to sell as may then be required by law. The parties agree that if Beneficiary shall elect to proceed with respect to any portion of the personal property separately from such real property, five (5) days' notice of the sale of the personal property shall be reasonable notice. The reasonable expenses of retaking, holding, preparing for sale, selling, and the like incurred by Beneficiary shall include, but not be limited to, reasonable attorneys' fees, costs, and expenses, and other expenses incurred by Beneficiary.

4.9 Rescission of Notice of Sale. Beneficiary may from time to time rescind any notice of default or notice of sale before any Trustee's sale as provided above in accordance with the laws of the of the State in which the Property is located. The exercise by Beneficiary of such right of rescission shall not constitute a waiver of any breach or default then existing or subsequently occurring, or impair the right of Beneficiary to execute and deliver to Trustee, as above provided, other declarations or notices of default to satisfy the obligations of this Deed of Trust, or otherwise affect any provision, covenant, or condition of any Loan Document or any of the rights, obligations, or remedies of Trustee or Beneficiary hereunder or thereunder.

4.10 Rights and Remedies Cumulative. Trustee and Beneficiary shall have all powers, rights, and remedies under applicable law whether or not specifically or generally granted or described in this Deed of Trust. Nothing contained herein shall be construed to impair or to restrict such powers, rights, and remedies or to preclude any procedures or process otherwise available to trustees or beneficiaries under deeds of trust in the State in which the Land is located. Trustee and Beneficiary, and each of them, shall be entitled to enforce the payment and performance of the indebtedness owed pursuant to the Note and Guaranty and all obligations secured hereunder and to exercise all rights and powers under this Deed of Trust, the Loan Documents, or under any other Related Agreements or other agreement of any laws now or hereafter in force, notwithstanding the fact that some or all of the indebtedness owed pursuant to the Note and all obligations secured hereunder may now or hereafter be otherwise secured, whether by Deed of Trust, mortgage, pledge, lien, assignment, or otherwise. Neither the

acceptance of this Deed of Trust nor its enforcement, whether by court action or pursuant to the power of sale or other powers contained herein, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other rights or security now or hereafter held by Trustee or Beneficiary. Trustee and Beneficiary, and each of them, shall be entitled to enforce this Deed of Trust and any other rights or security now or hereafter held by Beneficiary or Trustee in such order and manner as they or either of them may in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy contained herein or by law provided or permitted, but each shall to the extent permitted by law be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. Every power or remedy given by any of the Loan Documents to Trustee or Beneficiary, or to which either of them may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Trustee or Beneficiary, and either of them may pursue inconsistent remedies. By exercising or by failing to exercise any right, option, or election hereunder, Beneficiary shall not be deemed to have waived any provision hereof or to have released Grantor from any of the obligations secured hereby unless such waiver or release is in writing and signed by Beneficiary. The waiver by Beneficiary of Grantor's failure to perform or observe any term, covenant, or condition referred to or contained herein to be performed or observed by Grantor shall not be deemed to be a waiver of such term, covenant, or condition or of any subsequent failure of Grantor to perform or observe the same or any other such term, covenant, or condition referred to or contained herein, and no custom or practice which may develop between Grantor and Beneficiary during the term hereof shall be deemed a waiver of or in any way affect the right of Beneficiary to insist upon the performance by Grantor of the obligations secured hereby in strict accordance with the terms hereof or of any other Loan Document.

4.11 Waiver of Lien. Beneficiary may waive its lien against the Property or any portion thereof, together with fixtures or personal property thereon, to the extent such property is found to be environmentally impaired, and may exercise any and all rights and remedies of an unsecured creditor against Grantor and all of Grantor's assets and property for the recovery of any deficiency, including, without limitation, seeking an attachment order. No such waiver shall be final or binding on Beneficiary unless and until a final money judgment is obtained against Grantor. Grantor shall have the burden of proving that the release or threatened release was not knowingly or negligently caused or contributed to, or knowingly or willfully permitted or acquiesced to by Grantor or any related party (or any affiliate or agent of Grantor or any related party) and that Grantor made written disclosure of the release to Beneficiary or that Beneficiary otherwise obtained actual knowledge thereof prior to the making of the loan evidenced by the Note. Notwithstanding anything to the contrary contained in this Deed of Trust or the other Loan Documents, Grantor shall be fully and personally liable for all judgments and awards entered against Grantor pursuant to and such liability shall be an exception to any non-recourse or exculpatory provision in this Deed of Trust or the other Loan Documents and shall not be limited to the original principal amount of the obligations secured by this Deed of Trust. Grantor's obligations hereunder and under the Guaranty, Loan Agreement, and other Loan Documents shall survive the foreclosure, deed in lieu of foreclosure, release, reconveyance, or any other transfer of the Property or this Deed of Trust. For the purpose of any action brought under this Section, Grantor hereby waives the defense of laches and any applicable statute of

limitations.

4.12 Waiver of Marshaling. Grantor, for herself and for all persons hereafter claiming through or under her or who may at any time hereafter become holders of liens junior to the lien of this Deed of Trust, hereby expressly waives and releases all rights to direct the order in which any of the Property shall be sold in the event of any sale or sales pursuant hereto and to have any of the Property and/or any other property now or hereafter constituting security for any of the indebtedness secured by this Deed of Trust, marshaled upon any foreclosure of this Deed of Trust, or of any other security for any of said indebtedness.

4.13 Remedies Cumulative. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. If there exists additional security for the performance of the obligations secured hereby, the holder of the Note, at its sole option, and without limiting or affecting any of its rights or remedies hereunder, may exercise any of the rights and remedies to which it may be entitled hereunder either concurrently with whatever rights and remedies it may have in connection with such other security or in such order as it may determine. Any application of any amounts or any portion thereof held by Beneficiary at any time as additional security hereunder, to any indebtedness secured hereby shall not extend or postpone the due dates of any payments due from Borrower or Grantor to Beneficiary hereunder or under the Note or Guaranty; any further advances or any of the Related Agreements or Loan Documents, or change the amounts of any such payments or otherwise be construed to cure or waive any default or notice of default hereunder or invalidate any act done pursuant to any such default or notice.

4.14 Attorney's Fees and Costs. Grantor promises to pay all costs, expenses, and attorneys' fees incurred by Beneficiary in the exercise of any remedy (with or without litigation) under the Note, Guaranty, Deed of Trust, or other security instrument or Loan Document, in any proceeding for the collection of the debt evidenced by the Note, in any trustee's sale or foreclosure of the Deed of Trust or the realization upon any other security securing the Note, in protecting or sustaining the lien or priority of said Deed of Trust or said other security, or in any litigation or controversy arising from or connected with the Note, the Deed of Trust, or other security for this Note. Said proceedings include, without limitation, any probate, bankruptcy, receivership, injunction, arbitration, mediation, or other proceeding, or any appeal from or petition for review of any of the foregoing, in which Beneficiary prevails. Grantor shall also pay all of Beneficiary's costs and attorney's fees incurred in connection with any demand, work-out, settlement, compromise, or other activity in which the Beneficiary engages to collect any portion of this debt not paid when due or as a result of any Event of Default. If a judgment is obtained thereon which includes an award of attorney's fees, such attorney's fees, costs, and expenses shall be in such amount as the court shall deem reasonable, which judgment shall bear interest at the Default Rate as defined in the Note from the date it is rendered to and including the date of payment to Beneficiary. "Costs and expenses" shall include, but are not limited to, appraisal fees, inspection fees, and costs of a title report.

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ARTICLE 5

MISCELLANEOUS

5.1 Severability. In the event any one or more of the provisions contained in this Deed of Trust shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Deed of Trust, but this Deed of Trust shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

5.2 Grantor Not Released. Extension of the time for payment or modification of the terms of payment of any sums secured by this Deed of Trust granted by Beneficiary to any successor in interest of Grantor or Borrower shall not operate to release, in any manner, the liability of the original Grantor. Without affecting the liability of any person, including Grantor, for the payment of any indebtedness secured hereby, or the lien of this Deed of Trust on the remainder of the Property for the full amount of any such indebtedness and liability unpaid, Beneficiary and Trustee are respectively empowered as follows: Beneficiary may, from time to time and without notice (a) release any person liable for the payment of any of the indebtedness, (b) extend the time or otherwise alter the terms of payment of any of the indebtedness, (c) accept additional real or personal property of any kind as security therefor, whether evidenced by Deed of Trust, mortgages, security agreement, or any other instruments of security, or (d) alter, substitute, or release any property securing the indebtedness; Trustee may, at any time, and from time to time, upon the written request of Beneficiary which Beneficiary may withhold in its sole discretion (1) consent to the making of any map or plat of the Property or any part thereof, (2) join in granting any easement or creating any restriction thereon, (3) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge hereof, or (4) reconvey, without any warranty, all or part of the Property.

5.3 No Waiver. No delay or omission to exercise any right, power, or remedy accruing to Beneficiary on any breach or default of Grantor hereunder shall impair any such right, power, or remedy of Beneficiary, nor shall it be construed to be a waiver of any other or subsequent breach or default. Any waiver, permit, consent, or approval of any kind by Beneficiary must be in writing and shall be effective only to the extent specifically set forth in that writing.

5.4 Beneficiary's Actions not a Cure of Default. The taking of any action by Beneficiary under the authority of this Deed of Trust, including, but not being limited to, the entering upon, taking possession of, and management and operation of the Property, the collection of rents and profits thereof, or the proceeds of fire and other insurance policies or compensation or awards for any taking or damage of the Property, and the application or release thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

5.5 Time. Time is of the essence hereof in connection with all obligations of Borrower Grantor herein and in the Note, Loan Agreement, Guaranty, and any other Loan Document or instrument securing payment of the indebtedness secured hereby.

5.6 Notices. Any notice given hereunder shall be in writing and shall be delivered in person or sent by first class mail, certified or registered mail, to the party at its address set forth above, or to such other address as may hereafter be designated by notice given in accordance with the procedures in this paragraph. Notices sent by mail shall be deemed to have been given when mailed, and the postmark affixed thereto shall be conclusive evidence of the date of mailing.

5.7 Reconveyance. Upon the payment in full of all sums secured by this Deed of Trust, Beneficiary shall request Trustee to re-convey the secured Property and shall surrender this Deed of Trust and all notes evidencing indebtedness secured by this Deed of Trust to Trustee. Upon payment of its fees and any other sums owing to it under this Deed of Trust, Trustee shall re-convey the secured Property without warranty to the person or persons legally entitled thereto. Grantor shall pay all costs of recordation, if any.

5.8 Successors and Assigns. All of the grants, obligations, covenants, terms, and conditions herein shall run with the land and shall apply to and bind the heirs, administrators, executors, legal representatives, successors, and assigns of Grantor and the successors in trust of Trustee and inure to the benefit of the endorsees, successors, and assigns of Beneficiary. In the event Grantor is composed of more than one party, the obligations, covenants, agreements, and warranties contained herein as well as the obligations arising therefrom are and shall be joint and several as to each such party.

5.9 Governing Law. This Deed of Trust is made pursuant to, and shall be construed and governed by, the laws of the State of Washington.

5.10 No Third Party Benefits. This Deed of Trust, the Note, Loan Agreement, Guaranty, and the other Related Agreements and Loan Documents, if any, are made for the sole benefit of Grantor or Borrower, and the other Guarantors, and Beneficiary and their successors and assigns, and convey no other legal interest to any party under or by reason of any of the foregoing. Whether or not Beneficiary elects to employ any or all of the rights, powers, or remedies available to it under any of the foregoing, Beneficiary shall have no obligation or liability of any kind to any third party by reason of any of the foregoing or any of Beneficiary's actions or omissions pursuant thereto or otherwise in connection with this transaction.

5.11 Use. The Property is not used principally for agriculture or farming purposes, and shall not be used for such purposes without the express consent of Beneficiary.

5.12 Right to a Deficiency. To the fullest extent permitted by law, including, without limitation, RCW 61.24.100, Beneficiary may seek and obtain a deficiency judgment following the completion of a judicial foreclosure or a trustee's sale of all or a portion of the security for the obligations secured by this Deed of Trust.

5.13 Expenses During Redemption Period. If this Deed of Trust is foreclosed as a mortgage and the Property sold at a foreclosure sale, the purchaser may, during any redemption period allowed, make such repairs or alterations on the Property as may be reasonably necessary for the proper operation, care, preservation, protection, and insuring thereof. Any sums so paid

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together with interest thereon from the time of such expenditure at the lesser of the default rate under the Note, or the maximum rate permitted by law, shall be added to and become a part of the amount required to be paid for redemption from such sale.

5.14 Appraisal Costs. The costs incurred by Beneficiary that are secured by this Deed of Trust shall include, without limitation, the cost of any appraisal obtained to establish the fair value of the Property in connection with the judicial or nonjudicial foreclosure of this Deed of Trust.

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.

The Grantor hereby waives any and all right to trial by jury in any action or proceeding relating to this Deed of Trust or any document delivered hereunder or in connection herewith, or any transaction arising from or connected to any of the foregoing. The Grantor represents that this waiver is knowingly, willingly, and voluntarily given.

[*signature on following page*]

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IN WITNESS WHEREOF, this Deed of Trust has been executed by Grantor as of the date first above written.

GRANTORS

M. Sikora

MARIAN SIKORA

Lenita Sikora

LENITA SIKORA

STATE OF Washington)
) ss.
COUNTY OF SKAMANIA)

On September 26, 2019, before me, Cindy Bradley, a notary public in and for said state, personally appeared Marian Sikora, personally known to me (or proved to me on the basis of satisfactory evidence), and on oath stated that s/he was authorized to execute said instrument.

IN WITNESS WHEREOF I have hereunto affixed my official seal the day and year first above written.

Cindy Bradley

Notary Public
My commission Expires 2/10/2021
Notary public in an for the State of Washington
Residing in Carson WA

Notary Public
State of Washington
CINDY BRADLEY
MY COMMISSION EXPIRES
February 10, 2021

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STATE OF Washington)
) ss.
COUNTY OF SKAMANIA)

On September 18, 2019, before me, Ann R. Brown, a notary public in and for said state, personally appeared Lenita Sikora, personally known to me (or proved to me on the basis of satisfactory evidence), and on oath stated that s/he was authorized to execute said instrument.

IN WITNESS WHEREOF I have hereunto affixed my official seal the day and year first above written.

ANN R. BROWN
Notary Public
Guilford Co., North Carolina
My Commission Expires Dec. 09, 2023

Notary Public
My commission Expires 12/9/2023
Notary public in an for the State of ~~Washington~~ NC
Residing in Guilford

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EXHIBIT A

Property Legal Description

A tract of land consisting of a portion of Lot 16, Block 7, RIVERVIEW ADDITION to the Town of Stevenson, according to the Plat thereof, recorded in Book 'A' of Plats, page 21, records of Skamania County, State of Washington, and located within the Shepard Donation Land Claim, more particularly described as follows:

Beginning at the Southwesterly corner of the said Lot 16; thence North 34° 30' West along the Westerly line of said Lot 16, a distance of 50 feet; thence North 55° 30' East a distance of 115 feet; thence South 34° 30' East a distance of 50 feet; thence South 55° 30' West a distance of 115 feet to the Point of Beginning.

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