

**2022-003884**

**Klamath County, Oregon**

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Fee: \$372.00

**RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:**

**UMPQUA BANK**

675 Oak Street, Second Floor

Eugene, OR 97401

Attn: Bev Burke

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

**GRANTORS:** ABBY'S RE LLC, an Oregon limited liability company, ABBYS RE DALLAS LLC, an Oregon limited liability company, and ABBYS RE SPRINGFIELD LLC, an Oregon limited liability company, each with an address of 2722 NE Stephens St., Roseburg, OR 97470.

**BENEFICIARY:** UMPQUA BANK, with an address of 675 Oak Street, Second Floor Eugene, OR 97401

**TRUSTEE:** FIDELITY NATIONAL TITLE INSURANCE COMPANY, with an address of 900 SW 5th Avenue, Portland OR 97204

**Tax Account Numbers of Trust Property:**

Marion County: 107264  
Polk County: 129460  
Yamhill County: 37329  
Douglas County: R62163; R62170; R45769; R45776; R45783; R45790; R45762; R41769; R40724; R40636; R40708; R62517; and R51396  
Josephine County: R309444 and R313667  
Jackson County: 1-037875-4; 1-028379-8; and 1-061205-7  
Klamath County: 525925 and 525907  
Umatilla County: 114528  
Lane County: 0381531; 0381507; 0793065; 0793073; 0009660; 0009678; 1104759; and 1104767  
Lincoln County: R113545  
Multnomah County: R321934

THIS DOCUMENT CONSTITUTES A FIXTURE FILING IN ACCORDANCE WITH  
ORS 79.0502(3). THE COLLATERAL IS OR INCLUDES FIXTURES.

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

THIS DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, SECURITY AGREEMENT AND FIXTURE FILING ("Deed of Trust") is made and entered into as of March 30, 2022, by ABBY'S RE LLC ("Abby's RE"), an Oregon limited liability company, ABBYS RE DALLAS LLC ("Abbys Dallas"), an Oregon limited liability company, and ABBYS RE SPRINGFIELD LLC ("Abbys Springfield"), an Oregon limited liability company (each a "Grantor" and, collectively, "Grantors"), whose mailing address is 2722 NE Stephens St., Roseburg, OR 97470. The Trustee is Fidelity National Title Insurance Company, whose mailing address is 900 SW 5th Avenue, Portland OR 97204. The Beneficiary is UMPQUA BANK, an Oregon state-chartered bank ("Beneficiary"), whose mailing address is 675 Oak Street, Second Floor, Eugene, OR 97401.

For purposes of Article 9 of the Uniform Commercial Code, this Deed of Trust constitutes a Security Agreement with each Grantor being a Debtor and Beneficiary being the Secured Party. This Deed of Trust also constitutes a Financing Statement filed as a fixture filing pursuant to Article 9 of the Uniform Commercial Code as adopted in the state of the Property Jurisdiction (as defined in the Loan Agreement) with respect to any and all fixtures included within the term "Property" as used herein and with respect to any goods or other personal property that may now or hereafter become such fixtures. The mailing address of the Grantors and the address of the Beneficiary from which information may be obtained are set forth on the first page of this Deed of Trust.

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Grantors hereby irrevocably grants, bargains, sells, transfers, conveys and assigns to Trustee, as trustee, IN TRUST, WITH POWER OF SALE AND RIGHT OF ENTRY AND POSSESSION, for the benefit and security of Beneficiary, under and subject to the terms and conditions hereinafter set forth, the following property, rights, interests and estates now owned, or hereafter acquired by Grantors (collectively, the "Property"):

(a) (i) Abby's RE's fee interest in and to the real property described on Exhibit A-1, (ii) Abbys Dallas' leasehold interest in and to the real property described on Exhibit A-2 pursuant to the lease described in the Memorandum of Lease dated December 18, 2000, between Abbys Dallas (as successor-in-interest to A.B.R.E, L.L.C.), as Lessee, and Giacomo J. Zanchi and Yolanda Zanchi as Trustees of the Giacomo J. Zanchi and Yolanda Zanchi Trust dated July 3, 1991, and Theofanis P. Teazis and Wanda P. Zanchi –Teazis, as Lessor, recorded February 7, 2001, under Instrument No.: 2001-001270, Polk County Deeds and Records, and (iii) Abbys Springfield's leasehold interest in and to the real property described on Exhibit A-3 pursuant to the lease described in the Memorandum of Ground Lease with an effective date of September 10, 2007, as amended March 1, 2008, between Abbys Springfield (as successor-in-interest to A.B.R.E., L.L.C.), as Lessee, and Polen Futures, LLC, as Lessor, recorded August 27, 2008, Reception No. 2008-049044, Lane County Deeds and Records, and as amended by Second Amendment to Ground Lease dated February 4, 2022 (the real property described on Exhibits A-1 through A-3 being referred to as the "Land"), all rights to the alleys, streets and roads

adjoining or abutting the Land, all easements, access, air and development rights, minerals and oil, gas and other hydrocarbon substances, water, water rights, water stock, water permits, water shares, well rights related to the Land, and all other rights, hereditaments, privileges and appurtenances now or hereafter belonging or in any way appertaining to the Land.

(b) All buildings, improvements and tenements now or hereafter located on the Land (the "Improvements"), including, without limitation, all fixtures, articles and accessions of property attached to, or used or adapted for use in the ownership, development, operation or maintenance of the Land and Improvements (whether such items are leased, owned or subject to any title-retaining or security instrument); all heating, cooling, air-conditioning, ventilating, refrigerating, plumbing, generating, power, lighting, laundry, maintenance, incinerating, lifting, cleaning, fire prevention and extinguishing, security and access control, cooking, gas, electric and communication fixtures, equipment and apparatus; all engines, motors, conduits, pipes, pumps, tanks, ducts, compressors, boilers, water heaters and furnaces; all ranges, stoves, disposals, refrigerators and other appliances; all escalators and elevators, baths, sinks, all cabinets, partitions, mantels, built-in mirrors, window shades, blinds, screens, awnings, storm doors, windows and sash; all carpeting, underpadding, floor covering, paneling, and draperies; all furnishings of public spaces, halls and lobbies; and all shrubbery and plants. All such items shall be deemed part of the Land and not severable wholly or in part without material injury to the freehold.

(c) All of the present and future rents, revenues, issues, accounts, deposit accounts, general intangibles, investment property, instruments, money, cash equivalents, profits and income of the Land and Improvements, all rights to receive rental assistance payments and rent subsidies with respect to the occupancy or use of all or any part of the Land and Improvements, and all present and future leases and other agreements for the occupancy or use of all or any part of the Land and Improvements, including, without limitation, all cash or security deposits, advance rentals and deposits or payments of similar nature, and all guarantees of tenants' or occupants' performance under such leases and agreements.

(d) All of Grantors' assets, including, without limitation, tangible and intangible personal property now or hereafter used or acquired in connection with or in any way arising out of or related to the ownership, development, operation or maintenance of the Land and Improvements, including, without limitation, all furniture, furnishings, equipment, supplies, inventory and other goods, wherever located, whether in the possession of any Grantor, warehousemen, bailee or any other person; all site plans, plats, architectural plans, specifications, work drawings, surveys engineering reports, test borings, market surveys, and other similar work products; all permits, licenses, franchises and trade names; all contract rights (including, without limitation, all architectural, construction, engineering, consulting and management contracts, all insurance policies, and all performance, payment, completion and other surety bonds); and all claims, causes of action, warranties, accounts, deposit accounts, investment property, escrow accounts, insurance policies, deposits (including tax, insurance and other reserves), instruments, documents, general intangibles, letter-of-credit rights, and business records (collectively, the "Personal Property").

(e) All present and future monetary deposits given to any public or private utility with respect to utility services furnished to the Land or the Improvements.

(f) All proceeds (including claims and demands therefor) of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims, including, without limitation, all insurance proceeds and condemnation awards.

(g) All proceeds of the foregoing.

TO SECURE THE FOLLOWING ("Secured Obligations"):

(1) Payment of the sum of \$13,874,000, or so much has been advanced with interest thereon, according to the terms and provisions of a promissory note (together with all modifications, amendments, extensions and renewals, the "Note") of even date herewith, made by Grantors and payable to Beneficiary.

(2) Payment of all other sums which are or may become owing from Grantors under the Loan Documents (as hereinafter defined).

(3) Performance of all other obligations of Grantors under the Loan Documents.

(4) Payment and performance of all obligations of Grantors under this Deed of Trust, together with all advances, payments or other expenditures made by Beneficiary or Trustee as or for the payment or performance of any such obligations of Grantors.

(5) Payment and performance of all obligations, if any, and the contracts under which they arise, which any rider attached to and recorded with this Deed of Trust recites are secured hereby.

(6) Payment and performance of all future advances and other obligations that the then record owner of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Beneficiary, when any such advance or other obligation is evidenced by a writing which recites that it is secured by this Deed of Trust.

(7) All modifications, extensions and renewals of any of the Secured Obligations (including without limitation, (a) modifications, extensions or renewals at a different rate of interest, or (b) deferrals or accelerations of the required principal payment dates or interest payment dates or both, in whole or in part), however evidenced, whether or not any such modification, extension or renewal is evidenced by a new or additional promissory note or notes.

(8) All debt, liabilities, or obligations, now existing or hereafter arising, due or to become due, absolute or contingent, of each Grantor to Beneficiary and/or its affiliates under any Financial Contract (as defined in the Loan Agreement) permitted hereunder. Notwithstanding the foregoing, this Deed of Trust does not secure a consumer purpose transaction or any leasing product between any Grantor and Beneficiary.

The term "obligations" is used herein in its most comprehensive sense and includes any and all advances, debts, obligations and liabilities heretofore, now or hereafter made, incurred or created, whether voluntary or involuntary and however arising, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, joint or several, including

without limitation, all principal, interest, charges, including prepayment charges and late charges, and loan fees at any time accruing or assessed on any Secured Obligation.

The word "Indebtedness" means the indebtedness evidenced by the Note or Loan Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantors are responsible under this Deed of Trust or under any of the Loan Documents. Specifically, without limitation, Indebtedness includes indebtedness, liabilities, or obligations, now existing or hereafter arising, due or to become due, absolute or contingent, of each Grantor to the Beneficiary and/or its affiliates under any Financial Contract.

As used herein, the term "Loan Documents" means the Note, this Deed of Trust, the Loan Agreement ("Loan Agreement") between Beneficiary and Grantors of even date herewith, and all related documents and instruments (except the Unsecured Real Estate Environmental and Access Law Indemnity dated the same as this Deed of Trust and executed by Grantors and certain other parties in favor of Beneficiary (the "Indemnity Agreement") and any guaranty of the Secured Obligations (the "Guaranties")), and any and all modifications, extensions, renewals and replacements thereof. The Secured Obligations may be indexed, amended, modified, adjusted, renewed or renegotiated. Neither Grantors' obligations under the Indemnity Agreement nor Guarantor's obligations under the Guaranty are secured by this Deed of Trust. Except as provided in the preceding sentence, all terms of the Secured Obligations are incorporated herein by this reference. All persons who may have or acquire an interest in the Property are hereby deemed to have notice of the terms of the Secured Obligations and that this Deed of Trust secures future advances, and to have notice, if provided therein, that: (a) the Note, the Loan Agreement or any other Secured Obligation may permit borrowing, repayment and reborrowing and (b) the rate of interest on one or more of the Secured Obligations may vary from time to time. Absent default under the terms of the Secured Obligations, all advances thereunder by Beneficiary are obligatory and are secured by this Deed of Trust. All such obligatory advances shall have the same priority as the funds initially advanced under any such Secured Obligation.

GRANTORS HEREBY REPRESENT, WARRANT, COVENANT AND AGREE AS FOLLOWS:

**1. TITLE AND USE**

**1.1 Warranty of Title**

Grantors warrant, represent, covenant and agree as follows: (a) each Grantor holds marketable fee simple title or a valid leasehold, as applicable, to the Property with the full right and power to grant, convey and assign the Property; (b) the Property is free from liens, encumbrances, exceptions and other charges of any kind whatsoever, except for the Permitted Exceptions (as such term is defined in the Loan Agreement); (c) no other lien or encumbrance, whether superior or inferior to this Deed of Trust, except Permitted Exceptions, shall be created or suffered to be created by Grantors except as allowed under the Loan Agreement; (d) no default on the part of Grantors or any other person exists under any of the Permitted Exceptions and all of the Permitted Exceptions are in full force and effect and in good standing, without modification; (e) complete and current copies of the Permitted Exceptions have been furnished to



Beneficiary, and none of them have been or will be modified by Grantors without Beneficiary's prior written consent; (f) Grantors shall fully comply with all the terms of the Permitted Exceptions and shall deliver to Beneficiary a copy of all notices delivered in connection with the Permitted Exceptions; (g) Beneficiary has the right to contact the other parties to the Permitted Exceptions to confirm the status thereof, and Grantors shall, from time to time, at the request of Beneficiary, request of such parties a certificate confirming such information regarding the Permitted Exceptions as Beneficiary may request; and (h) Grantors shall forever warrant and defend the Property unto Beneficiary against all claims and demands of any other person whatsoever, subject only to nondelinquent taxes and assessments and the Permitted Exceptions.

## **1.2 Non-Agricultural Use; Commercial Loan**

Grantors represent and warrant to Beneficiary (a) that the Property is not used principally for agricultural purposes; and (b) the Loan secured by this Deed of Trust was not made primarily for personal, family or household purposes.

## **2. GRANTORS' COVENANTS**

### **2.1 Payment and Performance of Secured Obligations**

Grantors shall pay when due all sums which are now or that may become owing under the Note, and shall pay and perform all other Secured Obligations in accordance with their terms.

### **2.2 Payment of Taxes, Utilities, Liens and Charges**

#### **(a) Taxes and Assessments**

Except as the same may otherwise be paid under Section 3, Grantors shall pay when due directly to the payee thereof all taxes and assessments (including, without limitation, nongovernmental levies or assessments such as maintenance charges, owner association dues or charges, or fees, levies or charges resulting from covenants, conditions or restrictions) levied, assessed or charged against or with respect to the Property or this Deed of Trust. Upon request, Grantors shall promptly furnish to Beneficiary all notices of amounts due under this subparagraph and all receipts evidencing such payments.

#### **(b) Utilities**

Grantors shall pay when due all utility charges and assessments for services furnished to the Property.

#### **(c) Labor and Materials**

Grantors shall pay when due the claims of all persons supplying labor or materials to or in connection with the Property; provided that Grantors shall have the right to contest the amount or validity in whole or in part of any such claim which results in a lien in accordance with Section 2.2(d).

(d) Liens and Charges

Grantors shall promptly discharge any lien, encumbrance or other charge, whether superior or inferior to this Deed of Trust, that may be claimed against the Property; provided that Grantors shall have the right to contest the amount or validity in whole or in part of any lien, encumbrance or other charge against the Property by appropriate proceedings conducted in good faith and with due diligence, in which event Grantors, upon prior written notice to Beneficiary, may postpone or defer payment of such lien, encumbrance or other charge so long as (i) such proceedings shall operate to prevent the collection of the lien, encumbrance or other charge; (ii) neither the Property nor any part thereof will, by reason of such postponement or deferment, be in danger of being forfeited or lost; and (iii) Grantors, before the date such lien, encumbrance or other charge becomes delinquent, gives such reasonable security as may be requested by Beneficiary to ensure payment thereof and prevent any forfeiture or loss of the Property or any part thereof.

(e) Taxes, Assessments and Other Charges Imposed on Beneficiary

If, at any time after the date of this Deed of Trust, any law is enacted or changed (including any interpretation thereof) that subjects Beneficiary to any increase in any tax (except federal and state income taxes), assessment or other charge, in any form measured by or based on any portion of the Indebtedness secured by this Deed of Trust, Grantors shall pay such increased amount to Beneficiary on demand; provided that if any such payment would be unlawful, Beneficiary may declare all accrued interest and the entire principal balance of the Note immediately due and payable. Grantors shall not be required to pay Beneficiary's Oregon Corporate Activity Tax relating to payments under the Note.

**2.3 Insurance**

(a) Coverages Required

Grantors shall maintain insurance coverages as described in the Loan Agreement in effect with respect to the Property at all times.

(b) Policies

Each insurance policy shall be with a company and in a form acceptable to Beneficiary and comply with the terms of the Loan Agreement.

(c) Payment; Renewals

Grantors shall promptly furnish to Beneficiary all renewal notices relating to insurance policies. Except as the same may otherwise be paid under Section 3, Grantors shall pay all premiums on insurance policies directly to the carrier. At least 30 days prior to the expiration date of each such policy, Grantors shall furnish to Beneficiary a renewal policy in a form acceptable to Beneficiary, together with evidence that the renewal premium has been paid but such new policy need not take effect until expiration of the expiring policy.

(d) Application of Insurance Proceeds

In the event of any material loss, Grantors shall give prompt written notice thereof to the insurance carrier and Beneficiary. Each Grantor hereby authorizes Beneficiary as such Grantor's attorney-in-fact to make proof of loss, to adjust and compromise any claim, to commence, appear in and prosecute, in Beneficiary's or such Grantor's name, any action relating to any claim, and to collect and receive insurance proceeds where the amount of the loss exceeds \$500,000; provided, however, that Beneficiary shall have no obligation to do so. Beneficiary shall apply any insurance proceeds received by it from claims in excess of \$50,000 first to the payment of the costs and expenses incurred in the collection of the proceeds and then, in its absolute discretion and without regard to the adequacy of its security, to:

(1) The payment of the Secured Obligations, whether then due and payable or not. Any such application of proceeds to principal on the Note shall be without the imposition of any prepayment fee otherwise payable under the Note, but shall not extend or postpone the due dates of the installment payments under the Note, or change the amounts thereof; or

(2) The reimbursement of Grantors, under Beneficiary's prescribed disbursement control procedures, for the cost of restoration or repair of the Property. Beneficiary may, at its option, condition the reimbursement on Beneficiary's approval of the plans and specifications of the reconstruction, contractor's cost estimates, architect's certificates, waivers of liens, sworn statements of mechanics and materialmen, and such other evidence of costs, percentage completion of construction, application of payments and satisfaction of liens as Beneficiary may reasonably require.

If no Event of Default has occurred and is continuing, Beneficiary will turn over to Grantors insurance proceeds received by Beneficiary that are less than \$50,000. Nothing herein contained shall be deemed to excuse Grantors from restoring, repairing or maintaining the Property as provided in Section 2.4, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount.

(e) Application of Insurance Proceeds to Restoration

Notwithstanding the provisions of Section 2.3(d), Grantors, rather than Beneficiary, shall have the right to direct the application of insurance proceeds to payment of the Secured Obligations or to repair or restoration of the Property upon satisfaction of the following conditions:

(1) There is then no Event of Default nor any event or condition which would be an Event of Default if not cured within the time allowed under the Loan Documents.

(2) If the proceeds are to be applied to repair or for restoration then in addition to the matters required under Section 2.3(d)(2) above, Beneficiary shall have approved each of the following with respect to the repair or restoration: (i) the construction contract, and if required by Beneficiary, payment and performance bonds with dual obligee rider; (ii) evidence that the insurance proceeds are adequate to restore the Property to its condition immediately prior

to the casualty, and if insufficient, the deficiency shall be deposited with Beneficiary for disbursement prior to disbursement of insurance proceeds; (iii) evidence that Grantors have funds or insurance proceeds that are sufficient to pay operating expenses, taxes, debt service and other carrying costs of the Property through the period of repair or restoration; (iv) evidence that upon such repair or restoration the Property will be in compliance with all applicable laws, ordinances and regulations; (v) evidence that such repair or restoration of the Property will be completed at least 30 days before the current maturity date under the Note; and (vi) evidence that upon the completion of any such repair or restoration the Property will produce sufficient income and be of sufficient value to be adequate security for the Secured Obligations.

(3) Each disbursement shall be made in accordance with Beneficiary's customary disbursement control procedures for the administration of construction loans.

(4) Grantors shall execute and deliver to Beneficiary such additional security documents and instruments as Beneficiary deems necessary to continue and to perfect Beneficiary's security interest in the Property.

(f) Transfer of Title

If the Property is sold pursuant to Section 4 or if Beneficiary otherwise acquires title to the Property, Beneficiary shall have all of the right, title and interest of Grantors in and to any insurance policies and unearned premiums thereon and in and to the proceeds resulting from any damage to the Property prior to such sale or acquisition.

**2.4 Preservation and Maintenance of Property; Right of Entry**

(a) Preservation and Maintenance

Grantors represent and warrant that the Improvements are free from damage caused by fire or other casualty. Grantors shall (i) not commit or suffer any waste or permit any impairment or deterioration of the Property, (ii) not abandon the Property, (iii) restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Beneficiary may approve in writing, in the event of any damage, injury or loss thereto, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair, (iv) keep the Property, including the Improvements, fixtures, equipment, machinery and appliances thereon, in good condition and repair and shall replace fixtures, equipment, machinery and appliances of the Property when necessary to keep such items in good condition and repair, and (v) generally operate and maintain the Property in a commercially reasonable manner.

(b) Alterations

No structural elements of the Improvements shall be materially altered, removed or demolished, in whole or in part, without Beneficiary's prior written consent. Beneficiary shall not unreasonably withhold or delay its consent to minor structural alterations, if Grantors furnish plans and assurances that the work will be completed in good workmanlike quality and Beneficiary determines in its reasonable business judgment that the value of the Property will not be materially and adversely affected. Grantors shall not remove any fixture or chattel covered by

this Deed of Trust and adapted to the use and enjoyment of the Property at any time without Beneficiary's prior written consent unless actually replaced by an article of equal suitability which is owned by Grantors free and clear of any lien or security interest.

(c) Right of Entry

Beneficiary is hereby authorized to enter the Property, including the interior of any structures, at reasonable times and after reasonable notice and subject to any required notice requirements to tenants, for the purpose of inspecting the Property to determine Grantors' compliance with this Section.

**2.5 Parking**

If any part of the automobile parking areas included within the Property is taken by condemnation, and before the parking areas are diminished for any other reason, Grantors shall take all actions as are necessary to provide parking facilities in kind, size and location to comply with all governmental zoning and other regulations and all leases. Before making any contract for substitute parking facilities, Grantors shall furnish to Beneficiary satisfactory assurance of completion thereof free of liens and in conformity with all government zoning and other regulations.

**2.6 Use of Property**

Grantors represent and warrant to Beneficiary that the Land, the Improvements and their intended use by Grantors comply in all material respects with all applicable restrictive covenants, zoning and subdivision laws, ordinances, regulations and legal requirements, building codes, flood disaster laws, applicable health and environmental laws and regulations and all other laws, ordinances, regulations, orders and legal requirements issued by any state, federal or municipal authority having or claiming jurisdiction over the Property. Grantors shall comply in all material respects with all laws, ordinances, regulations and requirements of any governmental body, and all other covenants, conditions and restrictions applicable to the Property and its intended use, and pay all fees and charges in connection therewith. Without limiting the foregoing, Grantors agree that they will not use, and will not allow any tenants or subtenants to use, the Property for any activity that violates any federal or state law. Unless required by applicable law or unless Beneficiary has otherwise agreed in writing, Grantors shall not allow changes in the use for which all or any part of the Property was intended at the time this Deed of Trust was executed. Grantors shall not initiate or acquiesce in a change in the zoning classification of the Property without Beneficiary's prior written consent.

**2.7 Condemnation**

(a) Proceedings

Grantors shall promptly notify Beneficiary of any action or proceeding relating to any condemnation or other taking (including, without limitation, any change in the grade of the Property), whether direct or indirect, of the Property or part thereof or interest therein, and the applicable Grantor shall appear in and prosecute any such action or proceeding unless otherwise directed by Beneficiary in writing. Each Grantor authorizes Beneficiary, at Beneficiary's option,

as attorney-in-fact for such Grantor, to commence, appear in and prosecute, in Beneficiary's or such Grantor's name, any action or proceeding relating to any such condemnation or other taking, and to settle or compromise any claim in connection with such condemnation or other taking. All awards, payments, damages, direct, consequential and otherwise, claims and proceeds thereof, in connection with any such condemnation or other taking, or for conveyances in lieu of condemnation, are hereby assigned to Beneficiary, and all proceeds of any such awards, payments, damages or claims shall be paid to Beneficiary. If there are minor easement condemnations not adversely affecting access to or use of the Property and the amount proposed to be paid by the Governmental Body is less than \$5,000 then Grantor need not notify Beneficiary and Beneficiary consents to Grantor resolving that action or proceeding and retaining such proceeds.

(b) Application of Condemnation Proceeds

Beneficiary shall apply any such proceeds in excess of \$5,000 in the manner and upon the terms and conditions set forth in Section 2.3(d) relating to the application of insurance proceeds.

**2.8 Protection of Beneficiary's Security**

Grantors shall give notice to Beneficiary of and shall appear in and defend any action or proceeding that may affect the Property, the interests of Beneficiary or Trustee therein, or the rights or remedies of Beneficiary or Trustee under the Loan Documents. If any such action or proceeding is commenced and there is an uncured Event of Default, or Grantors fail to perform any of the Secured Obligations, Beneficiary or Trustee may, at their option, make any appearances, disburse any sums, pay or settle any claims that have resulted in or may result in a lien of any portion of the Property, make any entries upon the Property and take any actions as may be necessary or desirable to (i) protect or enforce the security of this Deed of Trust, (ii) remedy Grantors' failure to perform the Secured Obligations (without waiving such default by Grantors), or (iii) otherwise protect Beneficiary's or Trustee's interests. Grantors shall pay all losses, damages, fees, costs and expenses incurred by Beneficiary and Trustee in taking such actions; including, without limitation, reasonable legal fees.

**2.9 Reimbursement of Beneficiary's and Trustee's Expenses**

All amounts disbursed by Beneficiary and Trustee pursuant to Section 2.8 or any other provision of this Deed of Trust or the other Loan Documents, with interest thereon at the Default Interest Rate (as defined in the Note) from the date of disbursement until repaid, shall constitute a Secured Obligation. All such amounts shall be immediately due and payable and bear interest from the date of disbursement at the lesser of the Default Interest Rate or the maximum rate permitted by law.

**2.10 Books and Records on Property**

Grantors shall keep and maintain at Grantors' address stated above, or such other place as Beneficiary may approve in writing, books of account and records adequate to reflect correctly the results of operation of the Property and copies of all written contracts, leases and other documents affecting the Property. Such books, records, contracts, leases and other documents

shall be subject to examination, inspection and copying at any reasonable time by Beneficiary. Grantors shall furnish to Beneficiary, within twenty (20) days after Beneficiary's request therefor, the following documents, each certified to Beneficiary by Grantors as being true, correct and complete: (a) copies of all leases and other agreements for occupancy or use of all or any portion of the Property, (b) copies of the most recent real and personal property tax statements for the Property, and (c) copies of the most recent statements for the insurance coverage maintained pursuant to this Deed of Trust.

## **2.11 Leasehold Mortgage Provisions.**

(a) Representations and Warranties. Grantors represent, covenant, and warrant:

(1) That each Ground Lease (as defined in the Loan Agreement) is in full force and effect and has not been modified or amended in any manner whatsoever except as disclosed to Beneficiary;

(2) That there are no continuing, uncured defaults under either Ground Lease, and no event has occurred, that, with the giving of notice, the passage of time, or both, would constitute a default under either Ground Lease;

(3) That all rents, additional rents, and other sums due and payable under the Ground Leases have been paid in full to the extent they were payable before the date of this Deed of Trust; and

(4) That neither Grantors nor, to the best of Grantors' knowledge, the landlords under the Ground Leases, has commenced any action or given or received any notice for the purpose of terminating either Ground Lease.

(b) Covenants. Grantors shall have the following duties and responsibilities:

(1) Grantors shall: (A) pay or cause to be paid all rents, additional rents, and other charges required to be paid by Grantors under and pursuant to the provisions of the Ground Leases, as and when those rents or other charges are payable; and (B) diligently perform and observe all of the terms, covenants, and conditions of the Ground Leases on the part of Grantors thereunder, to be performed and observed promptly when due under the terms of the Ground Leases;

(2) Grantors shall promptly notify Beneficiary of the giving of any notice by any landlord to any Grantor of any default by any Grantor in the performance or observance of any of the terms, covenants, or conditions of the Ground Leases on the part of Grantors under the Ground Leases, to be performed or observed, and deliver to Beneficiary a true copy of each such notice.

(3) Grantors shall not, without the prior consent of Beneficiary, surrender or accept surrender of the leasehold estates created under the Ground Leases, or terminate or cancel either Ground Lease or modify, change, supplement, alter, or amend either Ground Lease, in any respect unless permitted by the Loan Agreement, either orally or in

writing, and Grantors hereby assigns to Beneficiary, as further security for the payment of the obligations secured hereby and for the performance and observance of the terms, covenants, and conditions of this Deed of Trust, all of the rights, privileges, and prerogatives of Grantors under the Ground Lease to surrender such leasehold estates or to terminate, cancel, modify, change, supplement, alter, or amend the Ground Lease, and any such surrender of such leasehold estates or termination, cancellation, modification, change, supplement, alteration, or amendment of either Ground Lease without the prior consent of Beneficiary shall be null and void and of no force and effect.

(4) Grantors agree that if any Grantor shall default in the performance or observance of any term, covenant, or condition of either Ground Lease on the part of any Grantor, as ground lessee under a Ground Lease, to be performed or observed, then, without limiting the generality of the other provisions of this Deed of Trust, and without waiving or releasing Grantors from any of their obligations hereunder, Beneficiary or its designee shall have the right, but shall be under no obligation, to pay any sums and to perform any act or take any action as may be appropriate to cause all of the terms, covenants, and conditions of the Ground Leases on the part of Grantors under the Ground Leases to be performed or observed or to be promptly performed or observed on behalf of Grantors, to the end that the rights of Grantors in, to, and under the Ground Leases shall be kept unimpaired and free from default, even if the existence of such event of default or its nature is questioned or denied by a Grantor or by any party on behalf of a Grantor. If Beneficiary shall make any payment or perform any act or take any action in accordance with the preceding sentence, then the payment, performance, or action shall not remove or waive, as between Grantors and Beneficiary, the corresponding default under the terms of this Deed of Trust. In any such event, subject to the rights of tenants and other occupants under the Master Lease (as defined in the Loan Agreement), Beneficiary and any person designated by Beneficiary shall have, and are hereby granted, the right to enter upon the Property at any time and from time to time for the purpose of taking any such action. Beneficiary may pay and expend such sums of money as Beneficiary deems necessary for any such purpose and upon so doing shall be subrogated to any rights of the applicable landlord under the Ground Leases. Grantors hereby agree to pay to Beneficiary immediately and without demand, all those sums so paid and expended by Beneficiary, together with interest thereon from the day of that payment at the default interest rate under the Note. All sums so paid and expended by Beneficiary and the interest on those sums shall be secured by this Deed of Trust.

(5) If any landlord under the Ground Leases shall deliver to Beneficiary a copy of any notice of default sent by such landlord to a Grantor, as ground lessee under a Ground Lease, that notice shall constitute full protection to Beneficiary for any action taken or omitted to be taken by Beneficiary or its designee, in good faith, in reliance on that notice.

(6) Grantors will not subordinate or consent to the subordination of either Ground Lease or the leasehold estates created thereunder to any mortgage, deed of trust, lease, or other interest on or in a landlord's interest in all or any part of the Property, unless, in each such case, the written consent of Beneficiary shall have been first had and obtained.

(c) No Merger of Fee Title Estate and Leasehold Estate. So long as any obligations are outstanding under the Loan Documents, unless Beneficiary shall otherwise



consent in writing, the fee interest in the Land subject to the Ground Leases (the "Fee Title Estate") and the leasehold estate of Grantors under the Ground Leases (the "Leasehold Estate") shall not merge but shall always be kept separate and distinct, notwithstanding the union of such estates in a landlord, a Grantor, Beneficiary, or in any other person by purchase, operation of law, or otherwise. Beneficiary reserves the right, at any time, to release from the lien of this Deed of Trust portions of the Property, including, but not limited to, the Leasehold Estate, with or without consideration, at Beneficiary's election, without waiving or affecting any of its rights hereunder or under the Loan Documents, and any such release shall not affect Beneficiary's rights in connection with the portion of the Property not so released.

(d) Acquisition of Fee Estate by a Grantor. If any Grantor, so long as the obligations under the Loan Documents remain outstanding, shall become the owner and holder of a Fee Title Interest, the lien of this Deed of Trust shall be spread to cover such Grantor's Fee Title Interest. In such event, each Grantor agrees, at its sole cost and expense, to: (i) execute any and all documents or instruments necessary to subject its Fee Title Interest to the lien of this Deed of Trust; (ii) provide Beneficiary a title insurance policy that insures that the lien of this Deed of Trust is a first lien on such Fee Title Interest; and (iii) pay all reasonable attorney fees incurred by Beneficiary in connection with the above.

(e) Bankruptcy. If a landlord under a Ground Lease or a Grantor becomes the subject of a proceeding under the Bankruptcy Code or any other law affecting creditor's rights:

(1) Such Grantor, immediately after obtaining notice thereof, shall give notice thereof to Beneficiary;

(2) All the agreements, assignments, and other provisions set forth in the Ground Leases relating to a "Permitted Leasehold Mortgagee" or "Lender" (as defined in the Ground Leases) shall control the rights and obligations of the landlord, applicable Grantor, and Beneficiary;

(3) If a Ground Lease is terminated for any reason in the event of the rejection or disaffirmance of such Ground Lease in bankruptcy or any other insolvency proceeding affecting creditor's rights, any property not removed by Grantors as permitted or required by such Ground Lease, shall at the option of Beneficiary be deemed abandoned by Grantors, provided that Beneficiary may remove any such property required to be removed by Grantors pursuant to such Ground Lease, and all costs and expenses associated with such removal shall be paid by Grantors within five days of receipt by Grantors of an invoice for the costs and expenses associated with such removal; and

(4) If a Ground Lease is for any reason whatsoever terminated before the natural expiration of its term, and if, under any provisions of such Ground Lease or otherwise, Beneficiary or its designee shall acquire from the landlord of such Ground Lease another lease of the Land, Grantors shall have no right, title, or interest in or to such other lease or the leasehold estate created thereby.

### **3. RESERVES**

#### **3.1 Deposits**

If required by Beneficiary, Grantors shall, at the time of making each monthly installment payment under the Note, deposit with Beneficiary a sum, as estimated by Beneficiary, equal to (i) the taxes and special assessments next due on the Property, and (ii) the premiums that will next become due on insurance policies as may be required under this Deed of Trust, less all sums already deposited therefor, divided by the number of months to elapse before two months prior to the date when such taxes, special assessments and premiums will become delinquent. Beneficiary may require Grantors to deposit with Beneficiary, in advance, such other sums for other taxes, assessments, premiums, charges and impositions in connection with Grantors or the Property as Beneficiary reasonably deems necessary to protect Beneficiary's interests ("Other Impositions"). Such sums for Other Impositions shall be deposited in a lump sum or in periodic installments, at Beneficiary's option. If required by Beneficiary, Grantors shall promptly deliver to Beneficiary all bills and notices with respect to any taxes, assessments, premiums and Other Impositions. Unless Grantors and Beneficiary otherwise agree in writing, Beneficiary shall not be required to pay Grantors any interest, earnings or profits on any sums deposited with Beneficiary. All sums deposited with Beneficiary under this Section 3.1 are hereby pledged as security for the Secured Obligations.

#### **3.2 Application of Deposits**

All such deposited sums shall be held by Beneficiary and applied in such order as Beneficiary elects to pay such taxes, assessments, premiums and Other Impositions or, upon any Event of Default, may be applied in whole or in part, to the Secured Obligations. The arrangement provided for in this Section 3 is solely for the added protection of Beneficiary and entails no responsibility on Beneficiary's part beyond the allowing of due credit, without interest, for the sums actually received by it. Upon any assignment of this Deed of Trust by Beneficiary, any funds on hand shall be turned over to the assignee and any responsibility of Beneficiary with respect thereto shall terminate. Each transfer of the Property in accordance with Section 4 shall automatically transfer to the transferee all rights of Grantors with respect to any funds deposited hereunder. Upon payment in full of the Secured Obligations, Beneficiary shall promptly refund to Grantors the remaining balance of any deposits then held by Beneficiary.

#### **3.3 Adjustments to Deposits**

If the total deposits held by Beneficiary exceed the amount deemed necessary by Beneficiary to provide for the payment of such taxes, assessments, premiums and Other Impositions, such excess shall, provided there is no Event of Default or any event which would constitute an Event of Default if not cured within the time allowed, be credited by Beneficiary on the next due installment or installments of such deposits. If at any time the total deposits held by Beneficiary are less than the amount deemed necessary by Beneficiary to provide for the payment of such taxes, assessments, premiums and Other Impositions, Grantors shall promptly deposit the deficiency with Beneficiary after receipt of written demand from Beneficiary.

### **3.4 Conditional Waiver**

Notwithstanding the foregoing, Beneficiary shall not require the payment of reserves as provided in this Section until a delinquency occurs in the payment of such taxes, assessments, premium and Other Impositions, or until the occurrence of an Event of Default.

## **4. RESTRICTIONS ON TRANSFER OR ENCUMBRANCE**

(a) Neither the Property nor any part thereof or interest therein shall be encumbered, sold (by contract or otherwise), conveyed, leased (except as provided in this Section 4) or otherwise transferred by any Grantor, except for Permitted Transfers (as defined in the Loan Agreement); nor shall there be any change in the ownership or control of any membership interest in any Grantor, or the ownership or control of any stock, membership, any general partnership interest or any other beneficial interest in any corporation, partnership or other entity that has an ownership interest in any Grantor, except for Permitted Transfers. Any such action without Beneficiary's prior written consent shall be deemed to increase the risk of Beneficiary and shall constitute an Event of Default if not corrected within five days after Beneficiary's delivery of written demand to Grantors.

(b) Beneficiary may, in its sole discretion, consent to any such action subject to such terms and conditions as Beneficiary may require, including, without limitation, the payment of a transfer review fee, an assumption fee of one percent (1%) of the principal balance of the Note and an increase in the interest rate of the Note.

(c) In the event ownership of the Property or any portion thereof becomes vested in a person other than Grantors herein named other than as a result of a Permitted Transfer, Beneficiary may, without notice to Grantors herein named, whether or not Beneficiary has given written consent to such change in ownership, deal with such successor or successors in interest with reference to this Deed of Trust and the obligations secured hereby, in the same manner as with Grantors herein named, without in any way vitiating or discharging Grantors' liability hereunder or the obligations hereby secured.

## **5. UNIFORM COMMERCIAL CODE SECURITY AGREEMENT**

### **5.1 Grant to Beneficiary**

This Deed of Trust constitutes a security agreement pursuant to the Uniform Commercial Code with respect to:

(a) The Personal Property, and any sums deposited with Beneficiary by Grantors pursuant to the terms of Section 3.1 herein; and

(b) Any and all other property now or hereafter described on any Uniform Commercial Code Financing Statement naming any Grantor as Debtor and Beneficiary as Secured Party and affecting property in any way connected with the use and enjoyment of the Property (any and all such other property constituting "Property" for purposes of this Deed of Trust);

and each Grantor hereby grants to Beneficiary a security interest in all property described in clauses (a) and (b) above as security for the Secured Obligations. Grantors hereby authorize Beneficiary to file or cause to be filed such financing statements as reasonably deemed necessary to perfect, preserve, continue, extend in time or maintain the security interests herein contained. Such financing statements may contain a description of collateral broader than as set forth in this Deed of Trust. Grantors and Beneficiary agree, however, that neither the foregoing grant of a security interest nor the filing of any such financing statement shall be construed as limiting the parties' stated intention that everything used in connection with the production of income from the Property, or adapted for use therein, or which is described or reflected in this Deed of Trust, is and at all times shall be regarded as part of the Land or Improvements. The principal place of business of Grantors (Debtor) is as set forth on page one hereof and the address of Beneficiary (Secured Party) is as set forth on page one hereof.

## **5.2 Beneficiary's Rights and Remedies**

With respect to the Property subject to the foregoing security interest, Beneficiary shall have all of the rights and remedies (i) of a secured party under the Uniform Commercial Code, (ii) provided herein, including, without limitation, the right to cause such Property to be sold by Trustee under the power of sale granted by this Deed of Trust, and (iii) provided by law. In exercising its remedies, Beneficiary may proceed against the items of real property and any items of personal property separately or together and in any order whatsoever, without in any way affecting the availability of Beneficiary's remedies. Upon demand by Beneficiary following an Event of Default hereunder, Grantors shall assemble any items of personal property and make them available to Beneficiary at the Land. Beneficiary shall give Grantors at least ten days' prior written notice of the time and place of any public sale or other disposition of such Property or of the time of or after which any private sale or any other intended disposition is to be made. Any person permitted by law to purchase at any such sale may do so. Such Property may be sold at any one or more public or private sales as permitted by applicable law. The proceeds of any disposition of the personal property collateral, or any part thereof, may, except as otherwise required by applicable law, be applied by Beneficiary to the payment of the Secured Obligations in such priority and proportions as Beneficiary in its discretion deems proper.

## **5.3 Financing Statement**

This Deed of Trust constitutes a financing statement and fixture filing with respect to the personal property described in Section 5.1.

The names and address of the debtors are:

ABBY'S RE LLC  
ABBYS RE DALLAS LLC  
ABBYS RE SPRINGFIELD LLC  
2722 NE Stephens St.  
Roseburg, OR 97470

The name of the secured party is:

UMPQUA BANK  
675 Oak Street, Second Floor  
Eugene, OR 97401

(a) This financing statement covers all existing and future goods located on the Property which are now or in the future owned by any Grantors (debtor) and used in the operation or occupancy of the Property but which are not effectively made real property, including furniture and furnishings, building service equipment, and building materials, supplies and equipment.

(b) Certain of the above goods are or are to become fixtures on the Property described in the attached Exhibit A, and this Deed of Trust is to be recorded in the real estate records as a deed of trust filed as a fixture filing pursuant to Section 9-502 of the Oregon Uniform Commercial Code.

(c) The name of the record owner of the Land described on Exhibit A-2 is Giacomo J. Zanchi and Yolanda Zanchi as Trustees of the Giacomo J. Zanchi and Yolanda Zanchi Trust dated July 3, 1991, and Theofanis P. Teazis and Wanda P. Zanchi –Teazis. The name of the record owner of the Land described on Exhibit A-3 is Polen Futures, LLC.

(d) Products of the personal property are also covered.

## **6. ASSIGNMENT OF RENTS AND LEASES**

### **6.1 Assignment of Rents and Leases**

As security for the Secured Obligations, Grantors assign and transfer to Beneficiary and grants Beneficiary a security interest in and to all right, title and interest of any Grantor in and to: (a) any and all present and future leases, subleases, and licenses and other agreements for the occupancy or use of all or any part of the Property, and any and all extensions, renewals and replacements thereof (the "Leases"); (b) all cash or security deposits, advance rentals and deposits of a similar nature under the Leases; (c) any and all guarantees of tenants' or occupants' performances under any and all Leases; and (d) all rents, issues, profits, accounts and revenues (the "Rents") now due or which may become due or to which any Grantor may now or shall hereafter become entitled or may demand or claim (including Rents coming due during any redemption period), arising or issuing from or out of any and all Leases, including, without limitation, minimum, additional, percentage and deficiency rents and liquidated damages.

### **6.2 Collection of Rents**

Prior to any Event of Default hereunder, Grantors shall have a license to, and shall, collect and receive all Rents of the Property as trustee for the benefit of Beneficiary and the applicable Grantor, apply the Rents so collected first to the payment of taxes, assessments and other charges on the Property prior to delinquency, second to the cost of insurance, maintenance and repairs required by the terms of this Deed of Trust, third to the costs of discharging any obligation or liability of Grantors under the Leases, and fourth to the Secured Obligations, with

the balance, if any, to the account of Grantors provided there is no Event of Default. Upon delivery of written notice by Beneficiary to Grantors of an Event of Default hereunder and stating that Beneficiary exercises its rights to the Rents, and without the necessity of Beneficiary entering upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed receiver, Beneficiary shall immediately be entitled to possession of all Rents from the Property as the same become due and payable, including, without limitation, Rents then due and unpaid, and all such Rents shall immediately upon delivery of such notice be held by Grantors as trustee for the benefit of Beneficiary only. Upon delivery of such written notice by Beneficiary, each Grantor hereby agrees to direct each tenant or occupant of the Property to pay all Rents to Beneficiary on Beneficiary's written demand therefor, without any liability on the part of said tenant or occupant to inquire further as to the existence of an Event of Default by Grantors. Each Grantor hereby authorizes Beneficiary as such Grantor's attorney-in-fact to make such direction to tenants and occupants upon such Grantor's failure to do so as required herein. Payments made to Beneficiary by tenants or occupants shall, as to such tenants and occupants, be in discharge of the payors' obligations to the applicable Grantor. Beneficiary may exercise, in Beneficiary's or the applicable Grantor's name, all rights and remedies available to a Grantor with respect to collection of Rents. Nothing herein contained shall be construed as obligating Beneficiary to perform any of Grantors' obligations under any of the Leases.

### **6.3 Grantors' Representations and Warranties**

Grantors hereby represent and warrant to Beneficiary that (i) no Grantor has executed, and no Grantor will execute, any other assignment of said Leases or Rents, (ii) no Grantor has performed nor will any Grantor perform any acts, and has not executed and will not execute any instrument that would prevent Beneficiary from exercising its rights under this Section 6, and that at the time of execution of this Deed of Trust there has been no anticipation or prepayment of any of the Rents of the Property for more than two months prior to the due dates thereof. Grantors further represent and warrant to Beneficiary that the Master Lease (as defined in the Loan Agreement) is in good standing and there is no default thereunder, whether by Grantors or Guarantor, and that, to Grantors' knowledge, there is no event or condition that, with notice or the passage of time or both, would be a default thereunder. Grantors shall execute and deliver to Beneficiary such further assignments of Rents and Leases of the Property as Beneficiary may from time to time request.

### **6.4 Leases of the Property**

Grantors covenant and agree that all future Leases and modifications of the Master Lease will include a provision that prohibits the use of the Property for any activity that violates any federal or state law. Grantors shall comply with and observe Grantors' obligations as landlord under all Leases and will do all that is necessary to preserve all Leases in force and free from any right of counterclaim, defense or setoff. At Beneficiary's request, Grantors shall furnish Beneficiary with executed copies of all Leases hereafter entered into and shall use a form approved by Beneficiary. All new Leases and tenants under such Leases shall be subject to Beneficiary's prior written approval, and shall specifically provide that the tenant attorns to any person succeeding to the interest of the applicable Grantor upon any foreclosure of this Deed of Trust or conveyance in lieu thereof. Such attornment shall be in such form as Beneficiary may approve and shall provide that tenant shall not have the right of set off or defense to payment of

rents for any event or act that occurred prior to such successor obtaining title to a Grantor's interest except to the extent such event or act is continuing at the time such successor obtains such title. Tenant shall also agree to execute such further evidences of attornment as Beneficiary may from time to time request. Without Beneficiary's written consent, no Grantor shall (a) collect or accept payment of any Rents more than one month prior to the due dates thereof; (b) materially modify, surrender or terminate any non-residential Lease; (c) waive, discharge, release or modify the obligations of any tenant or other occupant of the Property under any non-residential Lease of its obligations under such Lease; (d) materially modify any non-residential Lease or materially modify the obligations of any tenant or other occupant under any such Lease of its obligations under such Lease; or (e) request or consent to the subordination of any non-residential Lease to any lien subordinate to this Deed of Trust. Any attempted action in violation of this Section 6.4 shall be null and void. Without in any way limiting the requirement of Beneficiary's consent hereunder, any sums received by any Grantor in consideration of any termination (or the release or discharge of any lessee) shall be applied to reduce the outstanding Secured Obligations and any such sums received by such Grantor shall be held in trust by such Grantor for such purpose.

#### **6.5 Beneficiary in Possession; Appointment of Receiver**

(a) Upon any Event of Default, Beneficiary may, in person, by agent or by a court-appointed receiver, regardless of the adequacy of Beneficiary's security, enter upon and take and maintain full control of the Property in order to perform all acts necessary and appropriate for the operation and maintenance thereof in the same manner and to the same extent as Grantors could do the same, including, without limitation, the execution, enforcement, cancellation and modification of Leases, the collection of all Rents of the Property, the removal and eviction of tenants and other occupants, the making of alterations and repairs to the Property, and the execution and termination of contracts providing for management or maintenance of the Property, all on such terms as are deemed best by Beneficiary to protect the security of this Deed of Trust. From and after any Event of Default, if any owner of the Property shall occupy the Property or part thereof such owner shall pay to Beneficiary in advance on the first day of each month a reasonable rental for the space so occupied, and upon failure so to do Beneficiary shall be entitled to remove such owner from the Property by any appropriate action or proceedings. Following an Event of Default, Beneficiary shall be entitled (regardless of the adequacy of Beneficiary's security) to the appointment of a receiver, and Grantors hereby consent to the appointment of such receiver. Said receiver may serve without bond and may be Beneficiary or an employee of Beneficiary. The receiver shall have, in addition to all the rights and powers customarily given to and exercised by such receivers, all the rights and powers granted to Beneficiary in this Section 6. Beneficiary or the receiver shall be entitled to receive a reasonable fee for so managing the Property. All costs and expenses incurred by any receiver or its agent shall constitute a part of the Secured Obligations.

#### **6.6 Application of Rents**

All Rents collected subsequent to delivery of written notice by Beneficiary to Grantors of an Event of Default shall be applied first to the costs, if any, of taking control of and managing the Property and collecting the Rents, including, without limitation, attorneys' fees, receiver's fees, premiums on receiver's bonds, costs of maintenance and repairs to the Property, premiums

on insurance policies, taxes, assessments and other charges on the Property, and the costs of discharging any obligation or liability of Grantors under the Leases, and then to other Secured Obligations. Beneficiary or the receiver shall be liable to account only for those Rents actually received. Beneficiary shall not be liable to Grantors, anyone claiming under or through any Grantor or anyone having an interest in the Property by reason of anything done or left undone by Beneficiary under this Section.

#### **6.7 Deficiencies**

To the extent, if any, that the costs of taking control of and managing the Property, collecting the Rents, and discharging obligations and liabilities of Grantors under the Leases, exceed the Rents of the Property, the excess sums expended for such purposes, plus interest, shall constitute a Secured Obligation. Such excess sums shall be payable upon demand by Beneficiary and shall bear interest from the date of disbursement at the lesser of the Default Interest Rate or the maximum rate permitted by law.

#### **6.8 Beneficiary Not Mortgagee in Possession**

Nothing herein shall constitute Beneficiary a "mortgagee in possession" prior to its actual entry upon and taking possession of the Property. Entry upon and taking possession by a receiver shall not constitute possession by Beneficiary.

#### **6.9 Enforcement**

Beneficiary may enforce this assignment of rents and leases without first resorting to or exhausting any security or collateral for the Secured Obligations.

### **7. LOAN AGREEMENT**

#### **7.1 Advances**

The Loan Agreement is hereby incorporated herein and made a part of this Deed of Trust. All advances made by Beneficiary pursuant to the Loan Agreement shall constitute a Secured Obligation, and such advances shall be deemed to be obligatory. All such sums shall bear interest from the date of disbursement at the rate stated in the Note.

#### **7.2 Assignment of Claims**

From time to time as Beneficiary deems necessary to protect Beneficiary's interest, Grantors shall, upon request of Beneficiary, execute and deliver to Beneficiary in such form as Beneficiary shall direct, assignments of any and all rights or claims that relate to the construction of the Improvements, and that any Grantor may have against any party supplying or who has supplied labor, materials or services in connection with the construction of the Improvements.



### **7.3 Default Under the Loan Agreement**

Upon an Event of Default, Beneficiary may, at its option, with or without entry upon the Property, exercise any of the rights or remedies provided in the Loan Agreement, exercise any of the rights or remedies provided in this Deed of Trust, or do both.

## **8. EVENTS OF DEFAULT**

### **8.1 Events of Default**

Any one or more of the following is an "Event of Default":

(a) Grantors fail, beyond any explicit grace or cure period, to make any payment under the Note, this Deed of Trust, or any of the other Loan Documents to which it is a party when due.

(b) There is a default under any of the Permitted Exceptions, if not cured within any cure period given in the Permitted Exceptions.

(c) There is an Event of Default as defined in the Loan Agreement or any of the other Loan Documents.

(d) There is an Event of Default under the Indemnity Agreement or the Guaranty.

(e) Grantors fail to perform any other covenant, agreement or obligation under this Deed of Trust or any of the other Loan Documents to which any of them is a party, if not cured within the time allowed.

### **8.2 Form of Notice**

At Beneficiary's option, any written notice of default given to Grantors under Section 8.1 may be given in the form of a statutory notice of default under applicable law or any other form as Beneficiary may elect.

## **9. REMEDIES**

### **9.1 Acceleration Upon Default; Additional Remedies**

Upon any Event of Default, Beneficiary may, at its option and without notice to or demand upon Grantors, exercise any one or more of the following actions:

(a) Declare all the Secured Obligations immediately due and payable.

(b) Bring a court action to enforce the provisions of this Deed of Trust or any of the other Loan Documents.

(c) To apply to a court of competent jurisdiction for and obtain appointment of a receiver of the Property as a matter of strict right and without regard to: (i) the adequacy of

the security for the repayment of the Secured Obligations; (ii) the existence of a declaration that the Secured Obligations are immediately due and payable; or (iii) the filing of a notice of default; and Grantors consent to such appointment.

(d) Judicially or non-judicially foreclose this Deed of Trust in accordance with applicable law.

(e) Cause any or all of the Property to be sold under the power of sale granted by this Deed of Trust in any manner permitted by applicable law.

(f) Obtain a deficiency judgment if the net sales proceeds of any sale of the Property under the power of sale granted by this Deed of Trust are insufficient to pay in full all of the Secured Obligations.

(g) Elect to exercise its rights with respect to the assignment of Leases and the Rents, including without limitation all of the rights and remedies of an assignee of rents under applicable law.

(h) Exercise any or all of the other rights and remedies under this Deed of Trust and the other Loan Documents.

(i) With respect to all or any part of the Property that constitutes personalty, exercise any and all rights and remedies of a secured party under the Uniform Commercial Code – Secured Transactions as adopted in the Property Jurisdiction.

(j) Beneficiary may make any payment or perform any other obligation under the Loan Documents that Grantors fail to make or perform, and each Grantor hereby irrevocably appoints Beneficiary as the true and lawful attorney-in-fact for such Grantor to make any such payment and perform any such obligation in the name of such Grantor, which appointment is coupled with Beneficiary's interest in the Property. All payments made and expenses (including attorneys' fees and legal assistant's fees) incurred by Beneficiary in this connection, together with interest thereon at the Default Interest Rate (as defined in the Note) from the date paid or incurred until repaid, will be part of the Secured Obligations and will be immediately due and payable by Grantors to Beneficiary.

(k) Notwithstanding the availability of legal remedies, Beneficiary will be entitled to obtain specific performance, mandatory or prohibitory injunctive relief, or other equitable relief requiring Grantors to cure or refrain from repeating any default.

(l) Beneficiary may enter and take possession of the Property without seeking or obtaining the appointment of a receiver and may employ a managing agent for the Property, and if applicable, may complete the development and construction described in the Loan Agreement with respect to all or any part of the Property, either in Beneficiary's name or in the name of the applicable Grantor.

(m) Exercise any other right or remedy available under law or in equity.

## **9.2 Prepayment Premium**

If the Note provides for payment of a prepayment premium, such prepayment premium shall be payable by Grantors with respect to any voluntary or involuntary payment of principal under the Note before the maturity date stated in the Note, except as otherwise specifically provided in the Loan Documents. Grantors expressly agree that any such principal payment made after an Event of Default shall require payment of the prepayment premium notwithstanding any acceleration of the Note by Beneficiary.

## **9.3 Exercise of Power of Sale**

(a) For any sale under the power of sale granted by this Deed of Trust, Beneficiary or Trustee shall record and give all notices required by law and then, upon the expiration of such time as is required by law, Trustee may sell the Property upon any terms and conditions specified by Beneficiary and permitted by applicable law.

(b) Trustee may postpone any sale by public announcement at the time and place noticed for the sale. If the Property includes several lots or parcels, Beneficiary in its discretion may designate their order of sale or may elect to sell all of them as an entirety. The Property, real, personal and mixed, may be sold in one parcel. To the extent any of the Property sold by the Trustee is personal property, then Trustee shall be acting as the agent of Beneficiary in selling such Property. Any person permitted by law to do so may purchase at any sale.

(c) Upon any sale, Trustee will execute and deliver to the purchaser or purchasers a deed or deeds conveying the Property sold, but without any covenant or warranty, express or implied, and the recitals in the Trustee's deed showing that the sale was conducted in compliance with all the requirements of law shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value.

## **9.4 Application of Sale Proceeds**

Except as may otherwise be required by law, the proceeds of any sale under this Deed of Trust shall be applied in the following priority:

(a) Payment of the costs and expenses of the sale; including, without limitation, Trustee's fees, the costs of any appraisals, engineering or environmental testing and evaluations of the Property obtained by Beneficiary, all costs of any receivership for the Property advanced by Beneficiary, and all attorneys', legal assistants' and consultants' fees, expert's evidence, stenographer's charges, publication costs, (which may be estimated as to items to be expended after foreclosure sale or entry of the decree) costs of procuring all such abstracts of title, title searches, title insurance policies, and similar data with respect to title as Beneficiary may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale the true condition of title to or value of the Property, incurred by Beneficiary, shall constitute a part of the Secured Obligations and may be included as part of the amount owing from Grantors to Beneficiary at any foreclosure sale. All expenditures and expenses of the nature in this paragraph mentioned, and such expenses and fees as may be incurred in the protection of the Property and the maintenance of the lien of this Deed of Trust, including the reasonable fees of

any attorney employed by Beneficiary in any litigation or proceeding affecting this Deed of Trust, the Note or the Property, including probate, bankruptcy proceedings, proceedings to obtain a receiver, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Grantors, with interest thereon at the Default Interest Rate or the maximum rate permitted by law and shall be secured by this Deed of Trust.

(b) Payment of all sums expended by Beneficiary under the terms of this Deed of Trust and not yet repaid, together with interest on such sums from date of disbursement at the lesser of the Default Interest Rate or the maximum rate permitted by law.

(c) Payment of all other Secured Obligations in any order that Beneficiary chooses.

(d) The remainder, if any, to the person or persons legally entitled to it.

#### **9.5 Waiver of Order of Sale and Marshaling**

Beneficiary shall have the right to determine the order in which any or all portions of the Secured Obligations are satisfied from the proceeds realized upon the exercise of any remedies provided herein. To the fullest extent permitted by law, Grantors, any party who consents to this Deed of Trust and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice hereof, hereby waives any and all right to require marshaling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein, or to direct the order in which any of the Property will be sold in the event of any sale under this Deed of Trust.

#### **9.6 Nonwaiver of Defaults**

The entering upon and taking possession of the Property, the collection of Rents 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 herein provided, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

#### **9.7 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 together with interest thereon from the time of such expenditure at the lesser of the Default Interest Rate 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.

### **9.8 Foreclosure Subject to Tenancies**

Beneficiary shall have the right at its option to foreclose this Deed of Trust subject to the rights of any tenant or tenants of the Property.

### **9.9 Remedies Cumulative**

To the extent permitted by law, every right and remedy provided in this Deed of Trust is distinct, non-exclusive as to any other remedy, and cumulative to all other rights or remedies under this Deed of Trust or afforded by law or equity or any other agreement between Beneficiary and any Grantor, and may be exercised concurrently, independently or successively, in any order whatsoever. Beneficiary may exercise any of its rights and remedies at its option without regard to the adequacy of its security.

### **9.10 Beneficiary's and Trustee's Expenses**

Grantors shall pay all of Beneficiary's and Trustee's expenses incurred in any efforts to enforce any terms of this Deed of Trust, whether or not any suit is filed, including, without limitation, legal fees and disbursements, foreclosure costs, title charges, and expenses incurred in any bankruptcy, reorganization, liquidation, receivership or similar proceeding. All such sums, with interest thereon, shall be additional Indebtedness of Grantors secured by this Deed of Trust. Such sums shall be immediately due and payable and shall bear interest from the date of disbursement at the lesser of the Default Interest Rate or the maximum rate permitted by law.

### **9.11 Deficiency Rights**

The assignment of the Rents and Leases and all other liens, assignments, security interests, rights and remedies granted to Beneficiary hereunder or under any of the Secured Obligations, and all covenants, representations, warranties and obligations of Grantors that are not satisfied or discharged by any foreclosure of the Property, shall, to the fullest extent permitted by law, survive such foreclosure and remain in full force and effect thereafter, it being acknowledged and agreed that the Secured Obligations and all other obligations of Grantors and rights and remedies of Beneficiary hereunder are contractual in nature. Such obligations, rights and remedies, and all liens, assignments and security interests granted to Beneficiary hereunder and under any of the Secured Obligations (but excluding any lien against the Property or portion thereof that is foreclosed), shall not be extinguished by a foreclosure pursuant this Deed of Trust.

## **10. GENERAL**

### **10.1 No Offset**

Grantors' obligation to timely pay and perform all obligations under the Note, this Deed of Trust, and the other Loan Documents shall be absolute and unconditional and shall not be affected by any event or circumstance; including, without limitation, any setoff, counterclaim, abatement, suspension, recoupment, deduction, defense or any other right that any Grantor or any guarantor may have or claim against Beneficiary or any other person or entity. The foregoing shall not constitute a waiver of any claim or demand that any Grantor or any guarantor

may have in damages or otherwise against Beneficiary or any other person or entity; provided that such Grantor shall maintain a separate action thereon.

### **10.2 Application of Payments**

Except as applicable law or this Deed of Trust may otherwise provide, all payments received by Beneficiary under the Note or this Deed of Trust may be applied by Beneficiary to the Secured Obligations in such order as Beneficiary, at its option, may determine.

### **10.3 Appraisal Costs**

In the event the Financial Institutions Reform, Recovery, and Enforcement Act, as amended, any regulatory agency, or any internal policy of Beneficiary requires Beneficiary to obtain an appraisal of the Property, Grantors shall reimburse Beneficiary on demand for payment of the costs of such appraisal.

### **10.4 Imposition of Tax**

For purposes of this Section, "Tax" shall mean:

(a) a specific tax on deeds of trust or on all or any part of the Indebtedness secured by a deed of trust; or (b) a specific tax on the owner of the Property covered by a deed of trust which the taxpayer is authorized or required to deduct from payments on the deed of trust; or (c) a tax on property covered by a deed of trust chargeable against a beneficiary or trustee under the deed of trust or the holder of the note secured by the deed of trust; or (d) a specific tax (other than an income tax or a gross receipts tax) on all or any portion of the obligations secured hereby or on payments of principal and interest made by a grantor under a deed of trust. If any Tax is enacted subsequent to the date of this Deed of Trust, enactment of the Tax shall constitute an Event of Default, and Beneficiary may exercise any or all of the remedies available to it upon the occurrence of any Event of Default, unless the following conditions are met: (i) Grantors may lawfully pay the Tax without causing any resulting economic disadvantage or increase of tax to Beneficiary or Trustee; and (ii) Grantors pay the Tax (including any tax on the payment made) within 30 days after notice from Beneficiary that the tax law has been enacted. Grantors shall not be required to pay Beneficiary's Oregon Corporate Activity Tax.

### **10.5 Reconveyance**

Upon payment of all Secured Obligations, Beneficiary shall request Trustee to reconvey the Property and shall surrender this Deed of Trust and all notes evidencing the Secured Obligations to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled thereto. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Such person or persons shall pay Trustee's reasonable costs incurred in so reconveying the Property.

## **10.6 Successor Trustee**

In accordance with applicable law, Beneficiary may from time to time appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law.

## **10.7 Beneficiary's Powers**

(a) Without affecting the liability of any person for payment or performance of the Secured Obligations or any of Beneficiary's rights or remedies, Beneficiary, at its option, may extend the time for payment of the Secured Obligations or any part thereof, reduce payment thereon, release anyone liable thereon, accept a renewal note or notes therefor, modify the terms and time of payment thereof, release the lien of this Deed of Trust on any part of the Property, take or release other or additional security, release or reconvey or cause to be released or reconveyed all or any part of the Property, or consent and/or cause Trustee to consent to the making of any map or plat of the Property, consent or cause Trustee to consent to the granting of any easement or creating any restriction on the Property, or join or cause Trustee to join in any subordination or other agreement affecting this Deed of Trust or the lien or charge hereof.

(b) Grantors shall pay Beneficiary a reasonable service charge, together with such title insurance premiums and attorneys' fees as may be incurred at Beneficiary's option, for any such action if taken at any Grantor's request.

## **10.8 Subdivision**

Grantors hereby consent to a subdivision of the Property, if Beneficiary, in its sole discretion, determines that a subdivision of the Property is necessary or desirable to preserve the lien of this Deed of Trust, or to permit Beneficiary to foreclose on only a portion of the Property.

## **10.9 Subrogation**

Beneficiary shall be subrogated for further security to the lien, although released of record, of any and all encumbrances discharged, in whole or in part, by the proceeds of the Note or any other Indebtedness secured hereby.

## **10.10 Limitation on Interest and Charges**

The interest, fees and charges under the Loan Documents shall not exceed the maximum amounts permitted by any applicable law. If any such interest, fee or charge exceeds the maximum, the interest, fee or charge shall be reduced by the excess and any excess amounts already collected from Grantors shall be refunded. Beneficiary may refund such excess either by treating the excess as a prepayment of principal under the Note or by making a direct payment to Grantors. If Beneficiary elects to treat the excess as a prepayment of principal, Grantors shall not be obligated to pay any prepayment premium set forth in the Note. The provisions of this Section shall control over any inconsistent provision in the Loan Documents.

#### **10.11 Additional Documents; Power of Attorney**

Grantors, from time to time, shall execute, acknowledge and deliver to Beneficiary upon request, and each Grantor hereby irrevocably appoints Beneficiary its attorney-in-fact, exercisable upon an Event of Default, to execute, acknowledge, deliver and if appropriate file and record, such security agreements, assignments for security purposes, assignments absolute, financing statements, affidavits, certificates and other documents, in form and substance satisfactory to Beneficiary, as Beneficiary may request in order to perfect, preserve, continue, extend in time or maintain the assignments herein contained, the lien and security interest under this Deed of Trust, and the priority thereof. Grantors shall pay to Beneficiary upon request therefor all costs and expenses incurred in connection with the preparation, execution, recording and filing of any such document.

#### **10.12 Waiver of Statute of Limitations**

To the full extent a Grantor may do so, each Grantor hereby waives the right to assert any statute of limitations as a defense to the enforcement of the lien of this Deed of Trust or to any action brought to enforce the Note or any other obligation secured by this Deed of Trust.

#### **10.13 Forbearance by Beneficiary Not a Waiver**

Any forbearance by Beneficiary in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy, and no waiver by Beneficiary of any particular default shall constitute a waiver of any other default or of any similar default in the future. Without limiting the generality of the foregoing, the acceptance by Beneficiary of payment of any of the Secured Obligations after the due date thereof shall not be a waiver of Beneficiary's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes or other liens or charges by Beneficiary shall not be a waiver of Beneficiary's right to accelerate the maturity of the Indebtedness secured by this Deed of Trust, nor shall Beneficiary's receipt of any awards, proceeds or damages under Sections 2.3 and 2.7 operate to cure or waive Grantors' default in payment of the Secured Obligations.

#### **10.14 Entire Agreement; Modifications and Waivers**

This Deed of Trust, together with the other Loan Documents, constitutes the entire understanding and agreement of Grantors and Beneficiary with respect to the Loan. The Loan Documents supersede all prior negotiations, discussions, and agreements with respect to the Loan, may not be contradicted by evidence of any alleged oral agreement, and may not be waived, changed, discharged or terminated except by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

#### **10.15 Notice**

Any notice to Grantors under this Deed of Trust shall be to the address noted above or such other address as may be designated by Grantors in writing and shall be deemed to have



been given on the date delivered in the case of personal delivery or, if mailed, three days after the postmark thereof.

#### **10.16 Governing Law; Severability; Captions**

Except to the extent that the federal laws of the United States of America provide Beneficiary with greater rights or remedies, this Deed of Trust shall be governed by the laws of the Property Jurisdiction. If any provision or clause of this Deed of Trust conflicts with applicable law, such conflicts shall not affect other provisions or clauses hereof which can be given effect without the conflicting provision, and to this end the provisions hereof are declared to be severable. The captions and headings of the paragraphs and Sections of this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

#### **10.17 Definitions**

As used herein: the term "Grantor" means each Grantor herein named, together with any subsequent owner of the Property or any part thereof or interest therein; the term "Trustee" means the Trustee herein named, together with any successor Trustee; and the term "Beneficiary" means Beneficiary herein named, together with any subsequent owner or holder of the Note or any interest therein, including pledgees, assignees and participants.

#### **10.18 Successors and Assigns; Agents**

This Deed of Trust shall bind and inure to the benefit of the parties hereto and their respective heirs, devisees, legatees, administrators, executors, successors and assigns, subject to the provisions of Section 4. In exercising any rights hereunder or taking actions provided for herein, Beneficiary and Trustee may act through their respective employees, agents or independent contractors as authorized by Beneficiary and Trustee.

#### **10.19 Number; Gender**

This Deed of Trust shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

#### **10.20 Time**

Time is of the essence in connection with all obligations of Grantors herein.

#### **10.21 Request for Notice**

Grantors hereby request that a copy of any notice of default and notice of sale hereunder be mailed to it at its address set forth at the beginning of this Deed of Trust.

#### **10.22 Assignment of Loan Documents**

Beneficiary may assign the Loan Documents in whole or in part provided notice of the same is promptly provided to Grantors thereafter. Beneficiary may make available to any

proposed assignee or participant all credit and financial data with respect to Grantors and any guarantor as may be in the possession of Beneficiary. Grantors agree to provide any additional information that any proposed assignee or participant may reasonably request.

#### **10.23 Estoppel Certificate**

Grantors shall, within ten days after receipt of Beneficiary's written request, furnish Beneficiary or any other party designated by Beneficiary with a written statement, duly acknowledged, setting forth the amount of the Secured Obligations and otherwise confirming the status of the Secured Obligations, the Property and the Loan Documents.

#### **10.24 Certain Obligations Unsecured**

Notwithstanding anything to the contrary set forth herein or any of the Loan Documents, this Deed of Trust shall not secure the following obligations (the "Unsecured Obligations"):

- (a) any obligations evidenced by or arising under the Indemnity Agreement and Guaranty,
- (b) any other obligations in this Deed of Trust or in any of the other Loan Documents to the extent that such other obligations relate specifically to the presence on the Property of Hazardous Substances (as defined in the Indemnity Agreement) and are the same or have the same effect as any of the obligations evidenced by or arising under the Indemnity Agreement, and (c) any obligations evidenced by or arising under any guaranty of the Loan, including, without limitation, the Guaranties. Any breach or default with respect to the Unsecured Obligations shall constitute an Event of Default hereunder, notwithstanding the fact that such Unsecured Obligations are not secured by this Deed of Trust. Nothing in this Section shall, in itself, impair or limit Beneficiary's right to obtain a judgment in accordance with applicable law after foreclosure for any deficiency in recovery of all obligations that are secured by this Deed of Trust following foreclosure.

#### **10.25 State Specific Provisions**

(a) This Deed of Trust may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument. This Deed of Trust is one of multiple originals which have previously been or are concurrently being recorded in Douglas, Jackson, Josephine, Klamath, Lane, Lincoln, Marion, Multnomah, Polk, Umatilla, and Yamhill Counties, Oregon and which, taken together, shall constitute a single trust deed as defined in ORS 86.705.

(b) In the event of any inconsistencies between the terms and conditions of this Section 10.25, and the other terms and conditions of this Deed of Trust, the terms of this Section 10.25 will control and be binding.

(c) Grantors warrant that this Deed of Trust is not and will at all times continue not to be a residential trust deed (as that term is defined in ORS 86.705(6)).

(d) **Notice Pursuant to ORS 746.201.**

WARNING

Unless Grantors provides Beneficiary with evidence of the insurance coverage as required by this Deed of Trust or any loan or credit agreement between Grantors and Beneficiary by no later than three business days after notice from Beneficiary, Beneficiary may purchase insurance at Grantors' expense to protect Beneficiary's interest. This insurance may, but need not, also protect Grantors' interest. If the collateral becomes damaged, the coverage Beneficiary purchases may not pay any claim Grantors makes or any claim made against Grantors. Grantors may later cancel this coverage by providing evidence that Grantors have obtained property coverage elsewhere.

Grantors are responsible for the cost of any insurance purchased by Beneficiary in accordance with the preceding paragraph. The cost of this insurance may be added to the loan balance. If the cost is added to the loan balance, the interest rate on the underlying loan will apply to this added amount. The effective date of coverage may be the date Grantors' prior coverage lapsed or the date Grantors failed to provide proof of coverage.

The coverage Beneficiary purchases may be considerably more expensive than insurance Grantors can obtain on its own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

At Beneficiary's option, any written notice of default given to Grantors under Section 8.1 may be given in the form of a statutory notice of default under Oregon Revised Statutes Chapter 86 or any other form as Beneficiary may elect.

(e) CLASS ACTION WAIVER. EACH PARTY WAIVES THE RIGHT TO LITIGATE IN COURT ANY CLAIM OR DISPUTE AS A CLASS ACTION, EITHER AS A MEMBER OF A CLASS OR AS A REPRESENTATIVE, OR TO ACT AS A PRIVATE ATTORNEY GENERAL.

(f) ATTORNEY FEES AND EXPENSES. Grantors agree to pay on demand all of Beneficiary's costs and expenses, including Beneficiary's attorney fees and legal expenses, incurred in connection with enforcement of this Deed of Trust and the other Loan Documents. Beneficiary may hire or pay someone else to help enforce the Loan Documents. Beneficiary may also use attorneys who are salaried employees of Lender to enforce the Loan Documents. Grantors shall pay all costs and expenses of all such enforcement. In the event arbitration, suit, action or other legal proceeding is brought to interpret or enforce the Loan Documents, Grantors agree to pay all additional sums as the arbitrator or court may adjudge reasonable as Beneficiary's costs, disbursements, and attorney fees at hearing, trial, and on any and all appeals. Whether or not a court action is filed, all reasonable attorney fees and expenses Beneficiary incurs in protecting its interests and/or enforcing the Loan Documents shall become part of the Indebtedness evidenced or secured by the Loan Documents, shall bear interest at the highest applicable rate under the Note, and shall be paid to Beneficiary by Grantors on demand. The attorney and consulting fees and expenses covered by this Section include without limitation all of Beneficiary's attorney and consulting fees (including the fees charged by Beneficiary's in-house attorneys, construction administration, environmental review, etc., calculated at hourly rates charged by attorneys and comparable consultants in private practice with comparable skill and experience), Beneficiary's fees and expenses for bankruptcy proceedings (including efforts to modify, vacate, or obtain relief from any automatic stay, contested matter or motion, and any

adversary proceeding), fees and expenses for Beneficiary's post-judgment collection activities, Beneficiary's cost of searching lien records, searching public record databases, on-line computer legal research, title reports, surveyor reports, appraisal reports, collateral inspection reports, title insurance, and bonds issued to protect Beneficiary's collateral, all to the fullest extent allowed by law.

(g) **UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY BANK CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY A BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY BANK TO BE ENFORCEABLE.**

*[Signature Page Follows]*

IN WITNESS WHEREOF, Grantors have executed this Deed of Trust as of the date first above written.

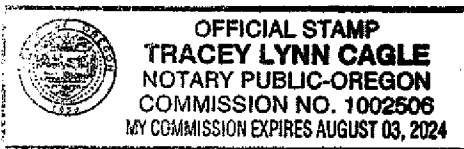
**"Grantors"**

ABBY'S RE LLC  
ABBYS RE DALLAS LLC  
ABBYS RE SPRINGFIELD LLC

By: Jami Seal  
Name: Jami Seal  
Title: CFO/Vice President of each

STATE OF OREGON                    )  
  ) SS  
COUNTY OF Douglas            )

This instrument was acknowledged before me on March 28, 2022, by Jami Seal as CFO/Vice President of Lone Rock Timber Management Company, a Washington corporation and Lone Rock Timberland Co, a Washington corporation, the Boards of Directors of which authorized her to sign this instrument as CFO/Vice President of Abby's RE LLC, Abbys RE Dallas LLC, and Abbys RE Springfield on behalf of each of them.



Tracey Lynn Cagle  
Notary Public for Oregon  
My commission expires: August 03, 2024

**EXHIBIT A-1  
to Deed of Trust**

**Legal Description of Fee Property of Abby's RE LLC**

**(Douglas County):**

**(27-06W-12AA-01100; Douglas)**

Beginning at a point on the West right of way line of the Pacific Highway No. 99, Business Route, which is North 0° 03' West 610.0 feet from an iron pipe or a point which is South 0° 34' West 2720.4 feet from the North corner of Lot 38, Edenbower Orchard Tracts, Douglas County, Oregon; thence North 0° 03' West 150.0 feet along the West right of way line of said highway; thence South 88° 58' West 154.2 feet to the Easterly right of way line of the Southern Pacific Railroad; thence South 5° 19' West 150.0 feet along said railroad right of way line; thence North 89° 16' East 165.5 feet to the point of beginning, in Lot 38, Edenbower Orchard Tracts, Douglas County, Oregon.

Property Address: 2722 NE Stephens St, Roseburg, OR

**(27-06W-12AA-01600; Douglas)**

A parcel of land lying in the Northeast quarter of Section 12, Township 27 South, Range 6 West, Willamette Meridian, Douglas County, Oregon, and in Lot 38, Edenbower Orchard Tracts, Douglas County, Oregon, described as follows:

Beginning at a 5/8 inch iron rod set on the West right of way line of the Old Pacific Highway, which is North 3° 42' West 898.0 feet and North 0° 03' West, along the Old Pacific Highway right of way line, 657.1 feet from the Southwest corner of the Daniel P. Barnes Donation Land Claim No. 39, said Township and Range, at the Southeast corner of lands described in Volume 221, Page 614, Deed Records of Douglas County, Oregon; thence West 125.0 feet to a 5/8 inch iron rod; thence South 0° 03' East 50.0 feet to a point; thence West 109.4 feet to a point; thence North 5° 19' East 100.44 feet to a 3/4 inch iron pipe; thence East 225.0 feet to a 1 inch steel axle set in the West right of way line of the Old Pacific Highway; thence along said West right of way line, South 0° 03' East 50.0 feet to the place of beginning.

Property Address: 2520 NE Stephens St, Roseburg, OR

**PARCEL I (27-06W-12DD-08800; Douglas)**

Lots 17 and 18 and also beginning at a 1/2 inch iron pipe on the Easterly right of way line of the Pacific Highway (U.S. 99) from which the Southwest corner of Block 5, Thomas Subdivision of Fruitvale bears South 2° 45' West 89.67 feet; thence South 89° 28' East 95.27 feet to a 7/8 inch iron rod on the East line of Lot 2, Block 5, Thomas Subdivision; thence North 0° 05' West 10.0 feet to a 3/4 inch iron rod on the North line of said Lot 2; thence North 89° 28' West 95.55 feet

Legal Description - Deed of Trust (Oregon)

along the Northerly line of Lots 1 and 2 to a point on the Easterly right of way of said U.S. Highway 99; thence along a 686.28 foot radius curve left, the chord of which bears South 1° 42' East 10.0 feet to the point of beginning, all lying in Block 5, Thomas Subdivision Lot 13, Fruitvale, according to the Official Plat on File and of Record in the Office of the County Clerk, Douglas County, Oregon.

EXCEPT that portion conveyed to the State of Oregon, by Deed, Recorded in Book 749, Page 457, Records of Douglas County, Oregon, Recorder's No. 80-4136.

**PARCEL II (27-06W-12DD-08900; Douglas)**

Lots 5 and 6, Block 5, Thomas Subdivision of Lot 13, Fruitvale, Section 13, Township 27 South, Range 6 West, Willamette Meridian, Douglas County, Oregon.

ALSO beginning at the Southeast corner of Lot 5, Block 5, Thomas Subdivision of Fruitvale, running thence South 12.5 feet South on the East line of Lot 4, in the same block and addition; thence West on a parallel line with the South line of said Lot 5, 100 feet to the West boundary line of Lot 3, in the same block and addition, to a point 12.5 feet South of said Lot 5; thence North 12.5 feet to the South line of said Lot 5; thence East to the place of beginning, being a strip of land 12.5 feet wide off the North end of Lots 3 and 4, Thomas Addition to Fruitvale.

ALSO, that part of vacated William Street that inured thereto on vacation thereof.

**PARCEL III (27-06W-12DD-08700; Douglas)**

Lots 7, 8, 9, 14, 15 and 16 of Block 5, Thomas Subdivision of Fruitvale Addition to the City of Roseburg, Douglas County, Oregon.

TOGETHER WITH that part of vacated William Street that inured thereto on vacation thereof.

EXCEPT that portion conveyed to the State of Oregon, by Deed, Recorded in Book 749, Page 457, Records of Douglas County, Oregon, Recorder's No. 80-4136.

**PARCEL IV (27-06W-12DD-08500; Douglas)**

The North half of Lots 10, 11, 12 and 13, in Block 5, Thomas Subdivision of Fruitvale, Douglas County, Oregon.

TOGETHER WITH that part of vacated William Street that inured thereto on vacation thereof.

EXCEPT that portion conveyed to the State of Oregon, by Deed, Recorded in Book 749, Page 457, Records of Douglas County, Oregon, Recorder's No. 80-4136.

ALSO EXCEPTING THEREFROM that portion described in deed, to State of Oregon, Department of Transportation, Recorded April 16, 1993, in Book 1230, Page 488, Recorder's No. 93-8011, Records of Douglas County, Oregon.

**PARCEL V (27-06W-12DD-08600; Douglas)**

The South half of Lots 10, 11, 12 and 13, Block 5, Thomas Subdivision, Douglas County, Oregon.

TOGETHER WITH that part of vacated William Street that inured thereto on vacation thereof.

EXCEPT that portion conveyed to the State of Oregon, by Deed, Recorded in Book 749, Page 457, Records of Douglas County, Oregon, Recorder's No. 80-4136.

Property Address: 1641 and 1661 NE Stephens St, Roseburg, OR

**(28-06W-21AC-07500; Douglas)**

Beginning at a point on the South right of way line of State Highway 42, said point of beginning bears North 68° 25' East 180.9 feet and South 30.66 chains and East 39.41 chains from the Southwest corner of Section 16, Township 28 South, Range 6 West, Willamette Meridian; thence leaving said Highway 42 and running South 2° 04' East 233.7 feet; thence South 89° 17' East 180.7 feet to a point on the West right of way line of U.S. Highway 99; thence North 14° 17' East 128.9 feet along said Highway 99; thence leaving said Highway 99 and running North 59° 17' West 100.0 feet; thence North 18° 09' West 104.0 feet to a point on said State Highway 42; thence South 75° 53' West 26.2 feet and South 68° 25' West 86.6 feet along said State Highway 42 to the point of beginning, all being in Douglas County, Oregon.

EXCEPTING THEREFROM that portion described as follows:

Beginning at a ¾ inch iron pipe on the North side of a 50 foot wide road Easement, said point of beginning bears East 39.41 chains and South 30.66 chains and South 0° 04' West 164.7 feet and South 89° 17' East 232.5 feet from the Southwest corner of Section 16, Township 28 South, Range 6 West, Willamette Meridian, Douglas County, Oregon; thence running South 89° 37' East 125.0 feet along said road Easement to its intersection with the Westerly right of way line of U.S. Highway 99; thence North 14° 17' East 128.0 feet along the said Highway right of way to its intersection with the Southerly line of that tract of land more fully described in Volume 314, Page 411, Deed Records of the Clerk of Douglas County; thence leaving said highway and running North 60° 16' West 100.8 feet along the said tract of land to the Southwest corner of said tract; thence South 61° 40' West 81.0 feet; thence South 1° 00' East 135.0 feet to the point of beginning, all being situated in the City of Winston in Section 21 of said Township 28 South, Range 6 West of the Willamette Meridian, Douglas County, Oregon.

ALSO EXCEPTING THEREFROM that portion as conveyed to the State of Oregon, by and through its State Highway Commission, by Deed recorded August 2, 1972, in Book 499, Records of Douglas County, Oregon, Recorder's No. 72-11031.

Property Address: 96 SW Douglas, Winston, OR



**(27-05W-20BB-02000; Douglas)**

Beginning at a point which bears South 110.0 feet from the Northeast corner of Lot 21, First Brookside Addition to Roseburg, Douglas County, Oregon, which point is on the East boundary of said Lot 21; thence South 101.32 feet along the East boundary of said Lot 21; thence West 198.0 feet; thence North 101.32 feet; thence East 198.0 feet to the point of beginning, all situated in Lot 21, First Brookside Addition to Roseburg, Douglas County, Oregon.

**(27-05W-20BB-02200; Douglas)**

Beginning at a ½ inch iron pin on the East line of Lot 21, First Brookside Addition, Douglas County, Oregon, located South 0° 58' 30" East a distance of 14.0 feet from the Northeast corner of said Lot 21 and on the South right of way line 40.0 feet distant, Southerly at right angles from Engineer's Station 56+06.7 on the centerline of the North Umpqua Highway; thence South along said East line of Lot 21, a distance of 96.0 feet to a ½ inch iron pin on said South right of way line; thence South 89° 59' 30" East along said South right of way line, a distance of 80.0 feet to the point of beginning.

EXCEPT that portion conveyed to the City of Roseburg, in Instrument No. 68-7198, Records of Douglas County, Oregon.

ALSO EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its Department of Transportation, Recorded June 7, 2007, Recorder's No. 2007-12982, Records of Douglas County, Oregon.

**(27-05W-20BB-02100; Douglas)**

Beginning at a point on the North line of Lot 21, First Brookside Addition to the City of Roseburg, Douglas County, Oregon, said point being 80 feet West of the Northeast corner of said Lot; thence South 110 feet; thence West 118 feet to a point on the East line of the lands conveyed to H.W. Sanders and wife, as Recorded in Volume 130, Page 214, Deed Records of Douglas County, Oregon; thence North 110 feet to a point on the North line of said lot which is 118 feet West of the point of beginning; thence East 118 feet to the place of beginning.

EXCEPTING THEREFROM that portion included in the lands conveyed to the State of Oregon for road purposes as described, in Volume 147, Page 97, Deed Records of Douglas County, Oregon.

EXCEPTING that portion taken for widening of Diamond Lake Boulevard.

Property Address: 2585 Diamond Lake Blvd., Roseburg, OR

**(29-05W-28DB-02900; Douglas)**

A parcel of land in Section 28, Township 29 South, Range 5 West, Willamette Meridian, Douglas County, Oregon, being more particularly described as follows:

Beginning at a 5/8 inch iron rod with plastic cap which bears South 89° 39' 30" East 97.48 feet from the Southwest corner of the Lazarus Wright Donation Land Claim No. 45, Douglas County, Oregon; thence South 89° 39' 30" East 345.00 feet to a 5/8 inch iron rod with plastic cap on the Westerly right of way line of Old Pacific Highway No. 99; thence South 15° 02' East 125.00 feet along said right of way to a 5/8 inch iron rod with plastic cap; thence leaving said right of way North 89° 39' 30" West 345.00 feet to a 5/8 inch iron rod with plastic cap; thence North 15° 02' West 125.00 feet to the point of beginning.

Property Address: 700 S. Main Street, Myrtle Creek, OR

**(25-05W-19AA-03200; Douglas)**

Lots 9, 10 and the Easterly 17 1/2 feet of Lot 11, Block 1, Sunnyside Terrace, Douglas County, Oregon.

An easement for ingress and egress, Recorded December 20, 2021, Instrument No. 2021-024166.

Property Address: 1011 West Central, Sutherlin, OR

**(Jackson County):**

Commencing at the Southeast corner of Donation Land Claim No. 44 in Township 37 South, Range 1 West, of the Willamette Meridian, Jackson County, Oregon; thence North 89°58' West, 735.70 feet along the South line of said Claim to an intersection of the Westerly boundary of the Pacific Highway; thence North 26° 29' West, along said Highway boundary 1078.5 feet to a 1 inch pipe for the true point of beginning; thence continue North 26°29' West, along said Highway boundary, 43.34 feet to the South boundary of Melrose Avenue-Barnett Road extension; thence along said boundary line, South 89°37'40" West, 183.99 feet; thence South 0°22'20" West, 22.56 feet; thence South 35°07'30" East, 135.75 feet; thence North 63°33'00" East, 154.74 feet to the Westerly boundary of the Pacific Highway; thence North 26°29' West, along said Highway boundary 30.0 feet to the true point of beginning.

EXCEPTING THEREFROM that portion deeded to the City of Medford, a municipal corporation, in document recorded July 10, 2003, as Instrument No. 03-45149, Official Records of Jackson County, Oregon.

Property Address: 1080 S. Riverside, Medford, OR

**(Jackson County):**

**TRACT A:**

Commencing at a point on the East line of Section 16, Township 36 South, Range 4 West, Willamette Meridian, Jackson County, Oregon, 35 rods North of the Southeast corner of said section; thence West, 336 feet; thence North 64 feet; thence East 336 feet; thence South 64 feet to the point of beginning.

EXCEPTING THEREFROM the West Half as heretofore conveyed by Warranty Deed recorded July 3, 1978, as Document No 78-14884, Official Records of Jackson County, Oregon.

**TRACT B:**

All of Lots 15 and 23 and the North Half of Lots 16 and 22, Block 2 BERGLAND ADDITION, to the City of Rogue River, Jackson County, Oregon.

Property Address: 121 Pine St, Rogue River, OR

**(Josephine County):**

Beginning at the intersection of the Southerly right of way line of Northeast "E" Street with the West line of Section 16, Township 36 South, Range 5 West, of the Willamette Meridian, Josephine County, Oregon; said intersection being North 0°55'23" West of and 1301.95 feet distant from the Southwest corner of said Section 16; thence South 86°14'06" East along said Southerly right of way line, 16.55 feet to the true point of beginning; thence continue South 86°14'06" East along said right of way line, 210.71 feet to a 5/8 inch diameter iron rod; thence South 0°55'23" East, parallel to the West line of said Section 16, 200.00 feet to a 5/8 inch diameter iron rod; thence North 86°14'06" West, parallel to the Southerly right of way line of Northeast "E" Street, 210.71 feet to established Easterly right of way line of McLearn Road; thence North 0°55'23" West along said Easterly right of way line, 200.00 feet, to the true point of beginning.

EXCEPTING THEREFROM the West 10.0 feet thereof. ALSO LESS AND EXCEPT that portion conveyed to the State of Oregon by instrument recorded April 5, 1989, as Document No. 89-04625, Official Records of Josephine County, Oregon.

Beginning at the intersection of the Southerly right of way line of Northeast "E" Street with the West line of Section 16, Township 36 South, Range 5 West, of the Willamette Meridian, Josephine County, Oregon; said intersection being North 0°55'23" West of and 1301.95 feet distant from the Southwest corner of said Section 16; thence South 86°14'06" East along said Southerly right of way line 227.26 feet to a 5/8 inch iron rod at the Northeast corner of tract described in Volume 334, Page 67, Josephine County Deed Records; thence continue South 86°14'06" East, along said right of way line 50 feet to the true point of beginning; thence North 86°14'06" West 50 feet to said Northeast corner, thence along the East and South line of said tract, South 0°55'23" East, parallel to the West line of said Section 16, a distance of 200.00 feet to a 5/8 inch diameter iron rod; thence North 86°14'06" West, parallel to the Southerly right of way line of Northeast "E" Street, 210.71 feet to established Easterly right of way line of McLearn Road; thence South 0°55'23" East, along said Easterly right of way line 50 feet; thence South 86°14'06" East, parallel with the South line of said tract and the Easterly extension thereof, 260 feet, more or less, to a point that bears South 0°55'23" East from the true point of beginning; thence North 0°55'23" West 250 feet, more or less, to the true point of beginning. LESS AND EXCEPT that portion conveyed to Josephine County, for road purposes, by instrument recorded in Document No. 87-02227, Official Records of Josephine County, Oregon. Property Address: 205 and 201 NE Beacon Dr, Grants Pass, OR

**(Josephine County):**

Parcel 1 of Partition Plat No. 2007-003, Josephine County, Oregon.  
Property Address: 1560 Williams Highway, Grants Pass, OR

**(Klamath County):**

A piece of parcel of land situated in Tract 33A Enterprise Tracts, being a portion of the NW1/4 of Section 3, Township 39 South, Range 9 East, Willamette Meridian, and being more particularly described as follows:

Beginning at a 5/8 inch aluminum capped rebar on the Easterly right of way line of Austin Street as the same is presently located and constructed from which the iron pipe monument marking the Northeast corner of Tract 33A of Enterprise Tracts bears North 34°07'30" East 53.32 feet and South 89°30'00" East 209.67 feet distant; thence South 34°07'30" West along said right of way line of Austin Street 100.00 feet to a 5/8 inch aluminum capped rebar; thence South 55°52'30" East 255.00 feet to a 5/8 inch aluminum capped rebar; thence North 34°07'30" East 95.05 feet to a 5/8 inch aluminum capped rebar (said point being 30.00 feet distant from, when measured at right angles to, the East boundary of said Tract 33A of Enterprise Tracts); thence North 0°21'15" East parallel to said Tract 33A boundary 6.00 feet to a 5/8 inch aluminum capped rebar; thence North 55°52'30" West 251.66 feet, more or less, to the point of beginning; containing 0.585 acres, and reserving therefrom an easement for a 4.0 foot overhang from the adjacent property and for walkway purposes along the Southeasterly 140.0 feet of the Southwesterly side of the above described parcel. Together with an easement for walkway purposes 4.0 feet wide and 140.0 feet long adjacent to and Southwesterly from the Easement herein reserved.

**(Klamath County):**

A tract of land situated in Tracts 33A Enterprise Tracts in the NW1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the East line of said Tract 33A from which the Northeast corner of said Tract 33A bears North 00°21'15" East 203.65 feet more or less; thence North 55°52'30" West 36.09 feet to the Northeasterly corner of that tract of land described in Volume M72 page 6088 of Klamath County Deed Records; thence along the Easterly line of said tract South 00°21'15" West 6.09 feet (6.00 by Deed), South 34°07'30" West 94.94 feet (95.05 by Deed) to the Southeasterly corner of said tract; thence South 55°52'30" East 99.58 feet to a point on the East line of said Tract 33A; thence North 00°21'15" East 120.30 feet to the point of beginning, containing 6623 square feet and with bearings based on R.O.S. No. 3672 as filed with the Klamath County Surveyor.

Property Address: 1919 Austin St, Klamath Falls, OR

**(Lane County):**

**PARCEL 1:**

Beginning at a point in the center of River Road 3676.5 feet South and 2824.5 feet East of the Northwest corner of Donation Land Claim No. 48, Township 17 South, Range 4 West, Willamette Meridian; run thence West 851.5 feet; thence North 68.00 feet to the true point of beginning; run thence North 132.00 feet; thence East 225.00 feet; thence South 132.00 feet; thence West 225.00 feet to the true point of beginning, all in Lane County, Oregon.

TOGETHER WITH that appurtenant easement for access as set forth in instrument recorded December 20, 2021, Reception No. 2021-078187, Lane County Deeds and Records, described as follows: Beginning at a point that is 501.0 feet West and 175 feet North of a point in the center of River Road that is 3676.5 feet South and 2824.5 feet East of the Northwest corner of the Joseph Davis Donation Land Claim No. 48, Township 17 South, Range 4 West of the Willamette Meridian; thence along the centerline of 40-foot-wide strip of property for Ingress and Egress, 20 feet on each side of centerline, East for 415.84 feet to the West boundary of River Road, in Lane County, Oregon.

TOGETHER WITH that appurtenant easement for parking as set forth in instrument recorded December 20, 2021, Reception No. 2021-078187, Lane County Deeds and Records, described as follows: Beginning at a point that is 601.5 feet West of a point in the center of River Road that is 3676.5 feet South and 2824.5 feet East of the Northwest corner of the Joseph Davis Donation Land Claim No. 48, Township 17 South, Range 4 West of the Willamette Meridian; run thence North 200.0 feet; run thence East 100.5 feet; thence South 122.0 feet, then West 31.0 feet; thence South 78.0 feet; then West 69.5 feet to the point of beginning, all in Lane County, Oregon.  
Property Address: 1970 River Road, Eugene, OR

**PARCEL 2:**

Beginning at a point that is 601.5 feet West of a point in the center of River Road that is 3676.5 feet South and 2824.5 feet East of the Northwest corner of the Joseph Davis Donation Land Claim No. 48, Township 17 South, Range 4 West of the Willamette Meridian; run thence West 250.0 feet; thence North 68.0 feet; thence East 225.0 feet; thence North 132.0 feet; thence East 25.0 feet; thence South 200.0 feet to the point of beginning, all in Lane County, Oregon.

TOGETHER WITH that appurtenant easement for access as set forth in instrument recorded December 20, 2021, Reception No. 2021-078187, Lane County Deeds and Records, described as follows: Beginning at a point that is 501.0 feet West and 175 feet North of a point in the center of River Road that is 3676.5 feet South and 2824.5 feet East of the Northwest corner of the Joseph Davis Donation Land Claim No. 48, Township 17 South, Range 4 West of the Willamette Meridian; thence along the centerline of 40-foot-wide strip of property for Ingress and Egress, 20 feet on each side of centerline, East for 415.84 feet to the West boundary of River Road, in Lane County, Oregon.

TOGETHER WITH that appurtenant easement for parking as set forth in instrument recorded December 20, 2021, Reception No. 2021-078187, Lane County Deeds and Records, described as follows: Beginning at a point that is 601.5 feet West of a point in the center of River Road that is 3676.5 feet South and 2824.5 feet East of the Northwest corner of the Joseph Davis Donation

Land Claim No. 48, Township 17 South, Range 4 West of the Willamette Meridian; run thence North 200.0 feet; run thence East 100.5 feet; thence South 122.0 feet, then West 31.0 feet; thence South 78.0 feet; then West 69.5 feet to the point of beginning, all in Lane County, Oregon.  
Property Address: 1960 River Road, Eugene, OR

**PARCEL 3:**

Lots 1 through 9, inclusive, and Lot 10, EXCEPT the West 10.0 feet, Block 31, PLAT OF GALLAGHER'S PART OF THE CITY OF FLORENCE, as platted and recorded in Book 30, Pages 12 and 13, Lane County Oregon Plat Records, in Lane County, Oregon.  
TOGETHER WITH that portion of the alley on the South adjacent and inuring thereto by vacation proceedings recorded March 20, 1989, Reception No. 8911794, Lane County Official Records, in Lane County, Oregon.

EXCEPT that portion described in Parcel 1 of deed to State of Oregon, by and through its Department of Transportation, Highway Division, recorded March 25, 1985, Reception No. 8510246, Lane County Official Records, in Lane County, Oregon.  
Property Address: 1374 Highway 101 North, Florence, OR

**PARCEL 4:**

Lots 4 and 5, Block 104, PLAT OF JUNCTION CITY, as platted and recorded in Book H, Page 749, Lane County Oregon Plat Records, in Lane County, Oregon.  
TOGETHER WITH that appurtenant easement for access as set forth in instrument recorded December 20, 2021, Reception No. 2021-078192, Lane County Deeds and Records, described as follows: The Southerly 6 feet of Lot 2, the Northerly 16 foot of Lot 3, Block 104, PLAT OF JUNCTION CITY, as platted and recorded in Book H, Page 749, Lane County Oregon Plat Records, in Lane County, Oregon.

TOGETHER WITH those appurtenant easements for parking as set forth in instrument recorded December 20, 2021, Reception No. 2021-078192, Lane County Deeds and Records, described as follows: The Southerly 34 feet of Lot 3, and all of Lot 7, Block 104, PLAT OF JUNCTION CITY, as platted and recorded in Book H, Page 749, Lane County Oregon Plat Records, in Lane County, Oregon.

Property Address: 1425 Ivy Street, Junction City, OR

**(Lincoln County):**

Lots 11, 12, 13 and 14, Block 25, PHELP'S ADDITION TO NEWPORT, in Lincoln County, Oregon.

EXCEPTING THEREFROM that portion deeded to the State of Oregon by deed recorded in Book 75, Page 305, Lincoln County Deed Records.

Property Address: 932 N. Coast Highway, Newport, OR 97365



**(Marion County):**

A portion of Lot 1, Block 3, MAUNA KAE PARK ADDITION to the City of Woodburn, Marion County, Oregon, more particularly described as follows:

Beginning at the Northeast corner of said Lot; thence Westerly along the Northerly line thereof, a distance of 170 feet; thence South 30° 12' West parallel to the West lot line 209.08 feet to the South line of said Lot; thence Easterly along South line a distance of 190.00 feet to the most Southeasterly corner of said Lot; thence North 30° 12' East 131.03 feet to the point of beginning.

SAVE AND EXCEPT that property conveyed to the State of Oregon, by and through its Departments of Transportation in Marion County Circuit Court Case Number 91C12150 entered June 19, 1992.

Property Address: 1215 N. Pacific Hwy., Woodburn, OR

**(Multnomah County):**

The tract of land in Section 33, Township 1 North, Range 3 East, of the Willamette Meridian, in the County of Multnomah and State of Oregon, described as follows:

Beginning at the Southeast corner of the Stephen Roberts Donation Land Claim; thence North along the East line of the Stephen Roberts Donation Land Claim 40 feet to the North line of S.E. Stark. Street Road No. 3317 and the true point of beginning of the tract of land herein described; thence West along the North line of said S.E. Stark Street 200 feet; thence North 200 feet parallel with the East line of the Stephen Roberts Donation land Claim; thence East 200 feet parallel with the North line of said S.E. Stark Street to the East line of the Stephen Roberts Donation Land Claim; thence South along the East line of the Stephen Roberts Donation Land Claim 200 feet to the true point of beginning.

Property Address: 21255 SE Stark Street, Gresham, OR 97030

**(Umatilla County):**

**TRACT I:**

A tract of land located in the Northeast Quarter of the Northeast Quarter of Section 16, Township 2 North, Range 32, East of the Willamette Meridian, Umatilla County, Oregon, described as beginning at the Northeast corner of said Section 16; thence South  $01^{\circ}06'33''$  West along the East line of said Section 16, a distance of 352 feet to the Easterly terminus point of that certain line established by Boundary Line Agreement between E.W. Barnum, et ux and Joseph C. Winslow, Jr., et ux, recorded in Book 249, Page 181, Deed Records and the True Point of Beginning for this description; thence South  $01^{\circ}06'33''$  West, along said line, a distance of 150.19 feet; thence North  $86^{\circ}00'46''$  West, a distance of 358.40 feet to a point on the Easterly right-of-way line of US Highway No. 395; thence Northeasterly along said Easterly right-of-way line, along a spiral to the left (the chord of which bears North  $26^{\circ}24'31''$  East, a distance of 162.26 feet) a distance of 162.29 feet to a point on the line described in the above mentioned Barnum/Winslow Agreement; thence South  $86^{\circ}00'46''$  East along said line, a distance of 289.03 feet to the point of beginning.

EXCEPTING THEREFROM, beginning at the Northeast corner of said Section 16; thence South  $01^{\circ}06'33''$  West, along the East line of said Section 16, a distance of 502.19 feet; thence North  $86^{\circ}00'46''$  West, a distance of 358.40 feet to a point on the Easterly right-of-way line of US Highway No. 395, and the True Point of Beginning for this description; thence Northeasterly along said Easterly right-of-way line, along a spiral to the left (the chord bears North  $27^{\circ}29'20''$  East, a distance of 33.27 feet) a distance of 33.28 feet; thence South  $61^{\circ}49'53''$  East, a distance of 74.47 feet; thence North  $86^{\circ}00'46''$  West, a distance of 81.20 feet to the point of beginning.

**TRACT II:**

A non-exclusive easement for ingress and egress over and across a strip of land located in the Northeast Quarter of Section 16, Township 2 North, Range 32, East of the Willamette Meridian, Umatilla County, Oregon, described as beginning at the Northeast corner of Tract 4 described in Deed to Mar-Mon Developers, recorded in Microfilm R-25, Page 1092, Office of County Records; thence North  $86^{\circ}00'45''$  West, a distance of 190.95 feet to the True Point of Beginning for this description; thence along a 20 foot radius curve to the right, the radius point of said 20 foot radius curve is the extreme South corner of the Grizzley Bear Pizza Parlor, as existed on April 20, 1977 (the chord of which bears North  $86^{\circ}00'45''$  West, a distance of 33.43 feet) a distance of 39.57 feet; thence South  $86^{\circ}00'45''$  East, a distance of 33.43 feet to the point of beginning.

**TRACT III:**

A non-exclusive easement for ingress and egress over and across a strip of land located in the Northeast Quarter of Section 16, Township 2 North, Range 32, East of the Willamette Meridian, Umatilla County, Oregon, lying 12 feet on each side of a centerline described as beginning at the Northeast corner of Tract 4 described in Deed to Mar-Mon Developers, recorded in Microfilm R-25, Page 1092, Office of County Records; thence along the North line of said Tract 4, North  $86^{\circ}00'45''$  West, a distance of 314.21 feet; thence South  $28^{\circ}10'10''$  West, a distance of 22.42 feet

to the True Point of Beginning for this description; thence along a 148 foot radius curve to the right (the chord bears South 47°01'45" East, a distance of 75.62 feet) a distance of 76.46 feet to the point of terminus of this centerline description.

#### TRACT IV:

A non-exclusive easement for ingress and egress over and across a strip of land located in the Northeast Quarter of Section 16, Township 2 North, Range 32, East of the Willamette Meridian, Umatilla County, Oregon, lying 12 feet on each side of a centerline described as beginning at the Northeast corner of Tract 4 described in Deed to Mar-Mon Developers, recorded in Microfilm R-25, Page 1092, Office of County Records; thence along the North line of said Tract 4, North 86°00'45" West, a distance of 314.21 feet; thence South 28°10'10" West, a distance of 22.42 feet; thence along a 148 foot radius curve to the right (the chord bears South 47°01'45" East, a distance of 75.62 feet) a distance of 76.46 feet to the True Point of Beginning for this centerline description; thence along a 194 foot radius curve to the right (the long chord bears North 73°14'45" East, a distance of 96 feet) a distance of 97.01 feet; thence North 87°34'15" East, a distance of 63.40 feet; thence along a 110 foot radius curve to the left (the long chord bears North 70°01'30" East, a distance of 66.32 feet) a distance of 67.37 feet to the terminus point of this centerline description, said terminus point lies on the North line of said Tract 4 and 51.23 feet West along said North line from the Northeast corner of said Tract 4.

Property Address: 828 Southgate Rd, Pendleton, OR

**(Yamhill County):**

A tract of land in Section 17 and Section 20, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon, described as follows:

Beginning at an iron pipe at the Southeast corner of that certain tract of land described in deed to C.C. Peterson et ux recorded in Film Volume 42, Page 951, Yamhill County Deed Records; thence South 89 degrees 50' East, 157.41 feet to an iron rod; thence South 00 degrees 10' West, 145.79 feet to a railroad spike; thence North 89 degrees 50' West, 60.00 feet to an iron rod; thence South 63 degrees 36'10" West, 44.72 feet to a railroad spike; thence South 00 degrees 10' West, 158.67 feet to an iron rod in the North line of Highway 99W; thence South 64 degrees 13' West, 63.84 feet along said North line to an iron rod; thence North 00 degrees 10' East, 352.39 feet to the point of beginning.

SAVE AND EXCEPT that property deeded to the State of Oregon, by and through its Departments of Transportation on April 4, 2000 in 2000-4580, Yamhill County Deed Records.

Property Address: 1913 Portland Rd, Newberg, OR

**EXHIBIT A-2  
to Deed of Trust**

**Legal Description of Leasehold Property of Abbys RE Dallas LLC**

**(Polk County):**

A tract of land in the Southeast 1/4 of Section 28, Township 7 South, Range 5 West, Willamette Meridian, City of Dallas, Polk County, Oregon, being more particularly described as follows:

Beginning at a point on the Northerly right-of-way line of Ellendale Avenue and lying North 0°09'30" East 322.41 feet, North 89°50'30" West 485.90 feet, South 00°09'30" West 663.38 feet, and South 79°25'30" West 240.20 feet from the most Northerly-Southeast corner of the John E. Lyle D.L.C. No. 58 in said Township and Range; thence leaving said right-of-way line North 00°09'30" East 146.11 feet; thence North 89°50'30" West 237.25 feet; thence South 00°09'30" West 191.08 feet to said Northerly right-of way line; thence North 79°25'30" East 241.48 feet to the point of beginning.

Property Address: 174 West Ellendale, Dallas, OR

**EXHIBIT A-3  
to Deed of Trust**

**Legal Description of Leasehold Property of Abbys RE Springfield LLC**

**(Lane County)**

Lots 12 and 13, Block 1, BALMAC SUBDIVISION, as platted and recorded in Book 67, Page 19, Lane County Oregon Plat Records, in Lane County, Oregon.

Property Address: 2053 Olympic Street, Springfield, OR