

Ally Proprietary

RECORDING REQUESTED BY:
AND WHEN RECORDED RETURN TO:

Ally Bank
5851 Legacy Circle, Suite 200
Plano, Texas 75024
Attention: Nora Larez

TITLE OF DOCUMENT: DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS,
SECURITY AGREEMENT AND FIXTURE FILING
AND LINE OF CREDIT INSTRUMENT

This line of credit instrument secures a Loan to be advanced in the maximum, aggregate principal amount of \$5,600,000.00.
The latest maturity date of the Loan secured by this line of credit instrument (exclusive of any option to renew or extend) is September 1, 2029, or, if such day is not a Business Day, the next succeeding Business Day.
The maximum principal amount to be advanced pursuant to the Loan Agreement (as defined below) may be exceeded by advances to complete construction pursuant to ORS 86.155(2)(c).
This line of credit instrument contains after-acquired property provisions and secures obligations containing provisions for changes in interest rates.

GRANTOR: KLAMATH FALLS PROPERTY HOLDINGS LLC, an Oregon limited liability company, Grantor and Borrower

BENEFICIARY: ALLY BANK (Ally Capital in Hawaii, Mississippi, Montana and New Jersey), a Utah state-chartered bank, Beneficiary and Bank

TRUSTEE: First American Title Insurance Co., Trustee

LEGAL DESCRIPTION OF REAL PROPERTY:

See Schedule "A" attached hereto.

Property Address: 2810 and 2880 Washburn Way, Klamath Falls, Oregon 97603
APN/Parcel #: R531491, R531455, R531516, R899893

**NOTICE TO RECORDER AND OTHERS: THIS DOCUMENT IS ALSO A FIXTURE FILING
ACCORDING TO THE APPROPRIATE SECTION OF THE UNIFORM COMMERCIAL CODE
IN THE STATE IN WHICH THE PROPERTY IS LOCATED.**

DMS_US.365666845.2

Ally Proprietary

DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT
AND FIXTURE FILING AND LINE OF CREDIT INSTRUMENT

- A. This Deed of Trust is made this 23rd day of August, 2024, by KLAMATH FALLS PROPERTY HOLDINGS LLC, an Oregon limited liability company, with a mailing address of c/o 2880 Washburn Way, Klamath Falls, Oregon 97603 ("Grantor" or Borrower), to FIRST AMERICAN TITLE INSURANCE CO., with a mailing address of 121 S.W. Morrison St, Ste 300, Portland Oregon 97204 ("Trustee"), in favor of ALLY BANK (Ally Capital in Hawaii, Mississippi, Montana and New Jersey), a Utah state-chartered bank, with a local business office currently located at 535 Anton Boulevard, Suite 300, Costa Mesa, California 92626 ("Beneficiary" or "Bank").
- B. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor irrevocably mortgages, transfers, conveys, bargains, sells, conveys and warrants to Trustee, in trust, with power of sale and right of entry and possession, for the benefit of Beneficiary in (collectively, the "Subject Property"):
1. All of Grantor's interest in the property described in attached Schedule A (collectively "Property"), including, without limitation, the land, any and all appurtenances thereto, and any and all buildings, structures, Fixtures (as such term is defined in Article 9 of the Oregon Uniform Commercial Code (the "Code") as now in effect or as may be revised or amended from time to time), and improvements thereon, whether now or later existing.
 2. Any and all existing and future leases, subleases, and other agreements affecting the use, enjoyment, or occupancy of the Property, including all extensions, renewals, and/or replacements thereof (collectively "Leases");
 3. All rents, revenues, profits, and other benefits arising under Leases or relating to the Leases and/or Property ("Rents");
 4. All of Borrower's rights under or relating to the Leases, including, without limitation, the rights to:
 - a. Claim, receive, collect, and pay all Rents payable or receivable under the Leases; and
 - b. Apply such Rents to Borrower's Obligations; and
 5. The following items arising from or related to the Subject Property, as these are defined by the Code (collectively, the "Personal Property"): accounts; instruments; building and construction materials, whether delivered to the Subject Property or stored elsewhere; equipment; general intangibles; chattel paper; cash and cash equivalents; documents; deposit and other accounts with banks and other financial institutions; fixtures; books and records, whether written, electronic, or other media ("Books and Records"); any and all agreements, certificates, instruments, permits, licenses, plans, specifications, and other documents now existing or later arising, and Grantor's rights therein, related to the use, occupation, enjoyment, construction, management, or operation of the Subject Property; and all proceeds of the foregoing; and

6. All additions and accessions to any of the foregoing, all replacements and renewals of all or any part of the foregoing, and the proceeds of any of the foregoing.

C. It is the intention of Grantor and Beneficiary that this Deed of Trust shall constitute a "security agreement" within the meaning of the Code. Notwithstanding the filing of a financing statement covering any of the Subject Property in the records normally pertaining to personal property, all of the Subject Property, for all purposes and in all proceedings, legal or equitable, shall be regarded, at Beneficiary's option (to the extent permitted by law), as part of the Subject Property whether or not any such item is physically attached to the Land or serial numbers are used for the better identification of certain items. The mention in any such financing statement of any of the Subject Property shall never be construed in any way as derogating from or impairing this declaration and hereby stated intention of Grantor and Beneficiary that such mention in the financing statement is hereby declared to be for the protection of Beneficiary in the event any court shall at any time hold that notice of Beneficiary's priority of interest, to be effective against any third party, including the federal government or any authority or agency thereof, must be filed in the Uniform Commercial Code records. Pursuant to the provisions of the Code, Grantor hereby authorizes Beneficiary, without the signature of Grantor, to execute and file financing and continuation statements if Beneficiary shall determine, in its sole discretion, that such financing or continuation statements are necessary or advisable in order to preserve or perfect its security interest in the personal property covered by this Deed of Trust, and Grantor shall pay to Beneficiary, on demand, any expenses incurred by Beneficiary in connection with the preparation, execution and filing of such statements that may be filed by Beneficiary. Grantor shall bear all costs thereof, including all Code searches reasonably required by Beneficiary. To the extent permitted by applicable law, the security interest created hereby is specifically intended to cover all of Grantor's right, title and interest in and to Leases between Grantor as lessor, and various tenants named therein, as lessee, including all extended terms and all extensions and renewals of the terms thereof, as well as any amendments to or replacement of said Leases. Grantor represents and warrants that: (i) Grantor is the record owner of the Subject Property; (ii) Grantor's principal place of business is located in the State of Oregon; (iii) Grantor's state of organization is the State of Oregon; and (iv) Grantor's exact legal name is as set forth in Section A above.

Grantor shall give advance notice in writing to Beneficiary of any proposed change in Grantor's name, identity, or structure and shall execute and deliver to Beneficiary, prior to or concurrently with the occurrence of any such change, all additional financing statements that Beneficiary may require to establish and maintain the validity and priority of Beneficiary's security interest with respect to any of the Collateral described or referred to herein.

D. Grantor hereby absolutely, presently and unconditionally conveys, transfers and assigns to Beneficiary all of Grantor's right, title and interest, now existing or hereafter arising, in and to the Leases and Rents. Notwithstanding that this assignment is effective immediately, so long as no default exists, Grantor shall have the privilege under a revocable license granted hereby to operate and manage the Property and to collect, as they become due, but not more than one (1) month prior to accrual, the Rents. Grantor hereby covenants and agrees that such Rents shall be so applied, first to the operation, maintenance and repair of the Property, including, without limitation, the payment of taxes and insurance, and the payment of interest, principal and other sums becoming due under the Obligations, before retaining and/or disbursing any part of the Rents for any other purpose. The license herein granted to Grantor shall automatically, without notice or any other action by Beneficiary, terminate upon the occurrence of a default, and all Rents subsequently collected or received by Grantor shall be held in trust by Grantor for the sole and exclusive benefit of Beneficiary. Nothing contained in this Section D, and no collection by

Beneficiary of Rents, shall be construed as imposing on Beneficiary any of the obligations of the lessor under the Leases.

In no event shall this reference diminish, alter, impair, or affect any other rights and remedies of Beneficiary, including but not limited to, the appointment of a receiver, nor shall any provision in this Section diminish, alter, impair or affect any rights or powers of the receiver in law or equity or as set forth herein. In addition, this assignment shall be fully operative without regard to value of the Property or without regard to the adequacy of the Property to serve as security for the obligations owed by Grantor to Beneficiary. Upon the occurrence of a default, Beneficiary may, without entering into possession or pursuing any other remedy as provided in this section or at law or in equity, or in conjunction with such possession or pursuit of other remedy, give notice, to any or all lessees authorizing and directing said lessees to pay Rents directly to Beneficiary.

Grantor shall timely perform all of its obligations under the Leases. Grantor represents and warrants that: (i) Grantor has title to and full right to assign presently, absolutely and unconditionally the Leases and Rents; and (ii) no other assignment of any interest in any of the Leases or Rents has been made.

Notwithstanding anything to the contrary contained in this Deed of Trust, this Section D is intended to create an assignment of rents under Oregon Revised Statutes ("ORS"). During the existence of a default, Beneficiary may exercise its rights relating to the Leases and Rents in its sole discretion and without prejudice to any particular remedy, as provided herein or as otherwise allowed by applicable law, and any replacement statute relating to the assignment of rents.

Notwithstanding anything herein to the contrary, Beneficiary is not undertaking the performance of (i) any obligations under the Leases; or (ii) any obligations with respect to any other agreements, contracts, certificates, instruments, franchises, permits, trademarks, licenses or other documents.

E. This Deed of Trust secures payment and performance of any and all present and future debts, advances, obligations, and duties that Borrower owes to Bank however arising under, and/or relating to, the following loan and financing accommodations extended by Bank to Borrower (collectively, "Obligations").

1. The Obligations are:

- a. Real estate loan in the amount of \$5,600,000.00, plus interest and all of Bank's costs and expenses incurred in connection with this loan (collectively "Loan") evidenced by that certain Commercial Real Estate Loan and Security Agreement and Promissory Note (as the same may be amended, restated, replaced, increased, renewed, extended or otherwise modified from time to time, the "Loan Agreement"), dated as of even date herewith, the terms of which are hereby incorporated by reference into this Deed of Trust;
- b. All obligations under the Commercial Real Estate Loan and Security Agreement and Promissory Note, with an effective date of August 18, 2022, between Bank and Gresham Property Holdings, LLC, as such loan agreement may have been or may be amended or modified (Ally Bank Loan No. 411002359);
- c. All obligations under the Commercial Real Estate Loan and Security Agreement and Promissory Note, with an effective date of December 23, 2022, between

Bank and Barbur Property Holdings, LLC, as such loan agreement may have been or may be amended or modified (Ally Bank Loan No. 411002413); and

- d. All obligations under all agreements evidencing future obligations, loans, or extensions of credit which specifically recite that they are intended to be secured by the Subject Property and/or this Deed of Trust.
2. All modifications, extensions and renewals of any of the Obligations secured hereby in accordance with the Loan Agreement, however evidenced, including: (i) modifications of the required principal payment dates or interest payment dates or both, as the case may be, deferring or accelerating payment dates wholly or partly; or (ii) modifications, extensions or renewals at a different rate of interest whether or not, in the case of a note, the modification, extension or renewal is evidenced by a new or additional note; and
3. Borrower and Bank expressly intend that this Deed of Trust secure any and all future optional and obligatory advances that Bank may make to Borrower from time to time pursuant to the Loan Agreement or as protective advances, but any and all future advances are discretionary and are subject to such terms and conditions as Bank may require in its sole, absolute discretion. Notice of the continuing grant of this Deed of Trust shall not be required to be stated on the face of any document evidencing any of the Obligations, nor shall such documents be required to otherwise specify that they are secured hereby.

Notwithstanding the above or anything in this Deed of Trust to the contrary, this Deed of Trust shall not secure Grantor's obligations under the Environmental Indemnity Agreement as of even date herewith by Grantor and the other parties thereto, under any third-party guaranty of the Loan, or under any other loan documents or agreements evidencing future obligations, loans, or extensions of credit unless such documents or agreements specifically recite that they are intended to be secured by the Subject Property and this Deed of Trust.

- F. Upon default under any Obligation Beneficiary may, at Beneficiary's election and by or through Trustee or otherwise, exercise any or all of the following rights, remedies and recourses:
1. Acceleration. Subject to any provisions of the Loan Documents providing for the automatic acceleration of the Indebtedness upon the occurrence of a default, declare the Obligations to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever (each of which hereby is expressly waived by Grantor), whereupon the same shall become immediately due and payable.
 2. Entry on Property. Enter the Property and take exclusive possession thereof. If Grantor remains in possession of the Property following the occurrence and during the continuance of a default and without Grantor's prior written consent, Beneficiary may invoke any legal remedies to dispossess Grantor.
 3. Foreclosure and Sale. In accordance with applicable law, direct Trustee to, and after such direction Trustee shall, sell the Collateral or interests therein or any part thereof to the highest bidder for cash in hand on day of sale at one or more public auction sales, as an entirety or in separate parcels, in such order, at such place or places and otherwise in such manner, as Beneficiary may deem appropriate. Notice of such sale shall be deemed complete when a Notice of Trustee's Sale is served and published as required by

applicable law. At any such sale by virtue of any judicial proceedings, power of sale, or any other legal right, remedy or recourse, the title to and right of possession of any such property shall pass to the purchaser thereof, and to the fullest extent permitted by law, Grantor shall be completely and irrevocably divested of all of its right, title, interest, claim, equity, equity of redemption, and demand whatsoever, either at law or in equity, in and to the property sold and such sale shall be a perpetual bar both at law and in equity against Grantor, and against all other persons claiming or to claim the property sold or any part thereof, by, through or under Grantor. The recitals in the Trustee's deed shall be prima facie evidence of the statements therein. Beneficiary may be a purchaser at such sale. If Beneficiary is the highest bidder, Beneficiary may credit the portion of the purchase price that would be distributed to Beneficiary against the Obligations in lieu of paying cash. In the event this Deed of Trust is foreclosed by judicial action, appraisal of the Property is waived.

4. Receiver. Make application to a court of competent jurisdiction for, and obtain from such court as a matter of strict right and, except as required by applicable law, without regard to the adequacy of the Collateral for the repayment of the Indebtedness, the appointment of a receiver of the Collateral, and Grantor irrevocably consents to such appointment; *provided* that, for the avoidance of doubt, Grantor's deemed consent to the appointment of a receiver pursuant to the foregoing shall not in any way be deemed to be or constitute a waiver of Grantor's right to object to and/or defend against the existence of the underlying default giving rise to Beneficiary's rights pursuant to this paragraph 4. Any such receiver shall have all the usual powers and duties of receivers in similar cases, including the full power to rent, maintain and otherwise operate the Property upon such terms as may be approved by the court and shall apply such Rents in accordance with the Loan Agreement.
 5. Protective Advances. To cure any default under the Loan Agreement in the name and on behalf of Grantor and preserve and protect the Collateral, including but not limited to (a) payment of insurance premiums for insurance relating to the Collateral, (b) discharge of liens and taxes on the Collateral, and (c) maintenance, repair, replacement, and protection of the Collateral. All sums advanced and expenses incurred at any time by Beneficiary or any other Secured Party under this paragraph 5, or otherwise under this Deed of Trust, the Loan Agreement or applicable law, shall bear interest from the date that such sum is advanced or expense incurred, to and including the date of reimbursement, computed at the highest rate at which interest is then computed on any portion of the Obligations, and all such sums, together with interest thereon, shall be secured by this Deed of Trust.
 6. Other. Exercise all other rights, remedies and recourses granted under the Loan Documents or otherwise available at law or in equity.
- G. This Deed of Trust remains in effect until the Trustee conveys the Property upon Bank's request, to Borrower, to a purchaser at a foreclosure sale, or to some other individual or entity legally entitled thereto.
1. Upon full and final payment and performance of all of Borrower's Obligations, Bank will request that Trustee convey the Property to Borrower or the individual or entity entitled thereto.
 2. Upon such reconveyance, this Deed of Trust will be void.

- H. Trustee accepts this Deed of Trust upon recording in the public records of the county in which the Property is located as provided by law.
1. Trustee will hold all funds in connection with this Deed of Trust in trust for the benefit of Bank for the purpose(s) for which the funds were received;
 2. Bank may unilaterally replace Trustee at any time and for any reason by:
 - a. Notifying Trustee of such replacement;
 - b. Executing a document appointing a successor trustee and recording it in the appropriate recording office of the state where the Property is located;
 3. Trustee may resign by giving ninety days written notice of resignation to Bank in a form suitable in substance for public recording;
 4. Any successor trustee will be vested with all the rights, duties, and powers of the original named Trustee as if the successor had been the originally named Trustee without any further act or conveyance and Trustee will:
 - a. Upon Bank's request, execute and deliver any and all documents in recordable form transferring Trustee's rights, duties, and powers to the successor trustee;
 - b. Duly assign, transfer, and deliver any property and/or funds held by Trustee for the benefit of Bank to the successor trustee to hold for the benefit of Bank.
- I. This Deed of Trust is a fixture filing as provided in ORS 79.0502. The names and addresses of the "debtor" and the "secured party" are the names and addresses of Borrower and Bank contained in paragraph A of this Deed of Trust.
- J. This Deed of Trust is a commercial trust deed and not a residential trust deed as defined in ORS 86.705.
- K. Borrower represents to Bank and Trustee that no portion of the Premises is Borrower's homestead, and waives any right it may have to claim a homestead in any portion of the Premises. Borrower represents and warrants to Bank and Trustee that this Deed of Trust is not, and at all times will not constitute, a residential deed, as that term is used in ORS Section 86.770, nor are any of the Improvements used for "residential" purposes as that term is used in ORS Section 86.705.
- L. **WARNING:**

UNLESS YOU (BORROWER) PROVIDE US (BANK) WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY THE CREDIT AGREEMENT, BANK MAY PURCHASE INSURANCE AT YOUR EXPENSE TO PROTECT BANK'S INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT YOUR INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE WE PURCHASE MAY NOT PAY ANY CLAIM YOU MAKE OR ANY CLAIM MADE AGAINST YOU. YOU MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT YOU HAVE OBTAINED PROPERTY COVERAGE ELSEWHERE.

YOU ARE RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY US. THE COST OF THIS INSURANCE MAY BE ADDED TO YOUR CONTRACT OR LOAN BALANCE. IF THE COST IS ADDED TO YOUR CONTRACT OR LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING CONTRACT OR LOAN WILL APPLY TO THIS ADDED AMOUNT. THE EFFECTIVE DATE OF COVERAGE MAY BE THE DATE YOUR PRIOR COVERAGE LAPSED OR THE DATE BORROWER FAILED TO PROVIDE PROOF OF COVERAGE.

THE COVERAGE WE PURCHASE MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE YOU CAN OBTAIN ON YOUR OWN AND MAY NOT SATISFY ANY NEED FOR PROPERTY DAMAGE COVERAGE OR ANY MANDATORY LIABILITY INSURANCE REQUIREMENTS IMPOSED BY APPLICABLE LAW.

M. This Deed of Trust is governed by the laws of the State of Oregon.

[Signature Follows.]

SIGNATURE PAGE TO DEED OF TRUST

GRANTOR:

KLAMATH FALLS PROPERTY HOLDINGS LLC,
an Oregon limited liability company

By: 

Print Name: Daniel Crainic

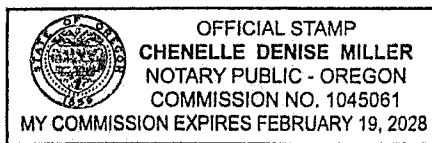
Title: Member

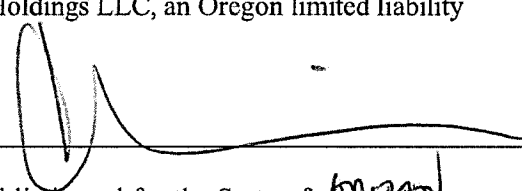
NOTARY ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF CLATSOP

This instrument was acknowledged before me on the 13 day of August, 2024,
by Daniel Crainic, as Member of Klamath Falls Property Holdings LLC, an Oregon limited liability
company, on behalf of said company.




Notary Public in and for the State of Oregon

Printed Name: CHENELLE DENISE MILLER

My Commission Expires: FEBRUARY 19, 2028

Schedule A

Real Property Legal Description

The Land referred to herein below is situated in the County of Klamath, State of Oregon, and is described as follows:

PARCEL I:

PARCELS 1, 2 AND 3, LAND PARTITION NO. 16-17 A REPLAT OF A PORTION OF LOTS 4 AND 5, BLOCK 6 OF "TRACT 1080 - WASHBURN PARK" IN THE SOUTHEAST 1/4 SOUTHEAST 1/4 OF SECTION 4, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, CITY OF KLAMATH FALLS, KLAMATH COUNTY, OREGON. RECORDED NOVEMBER 13, 2017 IN 2017-013013, RECORDS OF KLAMATH COUNTY, OREGON.

PARCEL II:

THE SOUTHERLY 220 FEET OF LOT 3 IN BLOCK 6 OF TRACT 1080, WASHBURN PARK, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

For Information Only:

Property Address: 2810 and 2880 Washburn Way, Klamath Falls, Oregon 97603
APN/Parcel No.: R531491, R531455, R531516, R899893