



2205 Washington Street • Port Townsend, WA, 98368
Phone: (360) 385-2000 Fax: (360) 379-6967

Prepared for: **Madeline Burkhartsmeier**
Brody Broker Team – Keller Williams Realty
244 W Washington Street
Sequim, WA 98382

RE: Property Address: **191 Airport Road**
Port Townsend, WA 98368

Inquiries should be directed to: **Jefferson Title Company**
Prepared By: **Addie Killam**
Date Prepared: **November 17, 2021**

If you should have any questions concerning this Title Report, please do not hesitate to call me at (360) 385-2000 or email addie@jeffersontitlecompany.com.

TITLE REPORT

This limited title search is restricted to the use of the addressee and is not to be used as a basis for closing any transaction affecting title. Full title disclosure is available upon request.

1. Apparent record owner of a **leasehold interest** said land as shown by lease:

Port Townsend Aircraft Services, LLC, a Washington limited corporation

2. The land referred to in this title report is located in the County of Jefferson, State of Washington, and described as follows:

See Exhibit “A”

3. Abbreviated Legal Description:

Ptn 28-30-1W

4. General Taxes for the year 2021.
Tax Account No.: **001 284 022**
Amount: **11254**
Assessed value : **\$ 364,586.00**

Assessor’s printout is attached for your reference.

5. Said property is subject to all covenants, conditions, easements, restrictions and reservations of record, if any.
6. Unrecorded leaseholds, if any, rights of vendors and security agreement on personal property and rights of tenants and secured parties to remove trade fixtures at the expiration of the terms.
7. Matters affecting security interests in personal property which may be disclosed by a search of the Uniform Commercial Code (UCC) records at the Washington State Department of Licensing in Olympia.
8. Financing statement.
Debtor: Hallinan Enterprises LLC
Creditor: Columbia State Bank
Recording No.: 555428

Said financing statement was continued and amendment recorded September 21, 2015 under Recording No. 594325 and October 15, 2020 under Recording No. 637148.

9. Assignment of Beneficial Interest For Security Purposes Only:
Assignee: Columbia State Bank
Recorded: November 17, 2010
Recording No.: 555798
10. Financing statement.
Debtor: Hallinan Enterprises LLC
Creditor: Columbia State Bank
Recording No.: 589880

Said financing statement was continued by amendment recorded December 10, 2019 under Recording No. 628915.

11. The terms and provisions contained in the document entitled Landlord's Estoppel Certificate
Recorded: March 09, 2015
Recording No.: 589881
12. Assignment of Beneficial Interest For Security Purposes Only:
Assignee: Columbia State Bank
Recorded: March 27, 2015
Recording No.: 590278

Said instrument is a re-recording of Recording No. 589878

13. Lease and the Terms and Conditions Thereof as Disclosed by Memorandum of Lease.
Lessor: Port of Port Townsend, a Washington municipal corporation
Lessee: Port Townsend Aircraft Services, LLC
Term: Original term ending June 30, 2035 with 2 10-year extensions
Dated: June 01, 2005 (unrecorded lease) and March 05, 2015
Recorded: March 09, 2015
Recording No.: 589877
14. Leasehold Deed of Trust, Assignment of Leases and Rent, Security Agreement and
Fixture Filing and the terms and conditions thereof:
Grantor: Port Townsend Aircraft Services, LLC
Trustee: Jefferson Title Company
Beneficiary: Columbia State Bank
Amount: \$ 265,000.00
Dated: March 01, 2015
Recorded: March 09, 2015
Recording No.: 589879

Exhibit “A”

That portion of the U.S. Military Reservation as shown on the Port of Port Townsend Survey recorded in Volume 14 of Surveys, pages 91 and 92, records of Jefferson County, Washington described as follows:

Commencing at the Northeast corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, said Northeast corner of said Section 33 lying North 01°44'08" East, a distance of 2,638.11 feet from the East ¼ corner of said Section 33;
Thence North 83°47'42" West, a distance of 2,325.24 feet to the True Point of Beginning;
Thence North 71°58'41" West, a distance of 81.89 feet;
Thence North 18°01'19" East, a distance of 7.84 feet;
Thence North 71°58'41" West, a distance of 34.22 feet;
Thence South 18°01'19" West, a distance of 42.85 feet;
Thence North 71°58'41" West, a distance of 10.18 feet;
Thence South 18°01'19" West, a distance of 16.22 feet;
Thence South 71°58'41" East, a distance of 126.29 feet;
Thence North 18°01'19" East, a distance of 51.23 feet to the True Point of Beginning.

Situate in the County of Jefferson, State of Washington.

Jefferson County Assessor & Treasurer

Property Search Results > 11254 HALLINAN ENTERPRISES LLC for Year 2021 - 2022

Property

Account

Property ID:	11254	Abbreviated Legal Description:	S28 T30N R1W "2 STORY" HANGAR/OFFICE BLDG **IMPS ONLY**
Parcel # / Geo ID:	001284022	Agent Code:	
Type:	Real		
Tax Area:	0111 - 1-50F1E1H2L1	Land Use Code	43
Open Space:	N	DFL	N
Historic Property:	N	Remodel Property:	N
Multi-Family Redevelopment:	N		
Township:	30N	Section:	28
Range:	1W		

Location

Address:	191 AIRPORT RD PORT TOWNSEND, WA 98368	Mapsco:	097/033
Neighborhood:	AIRPORT CUTOFF COMMERCIAL AREA (INC AIRPORT)	Map ID:	
Neighborhood CD:	5385C		


Owner

Name:	HALLINAN ENTERPRISES LLC	Owner ID:	17307
Mailing Address:	191 AIRPORT RD PORT TOWNSEND, WA 98368-9716	% Ownership:	100.0000000000%
		Exemptions:	

Pay Tax Due

Taxes and Assessment Details

Property Tax Information as of 11/16/2021

Amount Due if Paid on:  [NOTE](#): If you plan to submit payment on a future date, make sure you enter the date and click RECALCULATE to obtain the correct total amount due.

Click on "Statement Details" to expand or collapse a tax statement.

Year	Statement ID	First Half Base Amt.	Second Half Base Amt.	Penalty	Interest	Base Paid	Amount Due
▶ Statement Details							
2021	1216	\$1600.53	\$1600.43	\$0.00	\$0.00	\$3200.96	\$0.00
▶ Statement Details							
2020	1218	\$1641.03	\$1640.96	\$0.00	\$0.00	\$3281.99	\$0.00

Values

(+) Improvement Homesite Value:	+	\$0
(+) Improvement Non-Homesite Value:	+	\$364,586
(+) Land Homesite Value:	+	\$0
(+) Land Non-Homesite Value:	+	\$0
(+) Curr Use (HS):	+	\$0 \$0
(+) Curr Use (NHS):	+	\$0 \$0

(=) Market Value:	=	\$364,586
(-) Productivity Loss:	-	\$0

(=) Subtotal:	=	\$364,586
(+) Senior Appraised Value:	+	\$0
(+) Non-Senior Appraised Value:	+	\$364,586

(=) Total Appraised Value:	=	\$364,586
(-) Senior Exemption Loss:	-	\$0
(-) Exemption Loss:	-	\$0

(=) Taxable Value:	=	\$364,586

Taxing Jurisdiction

Owner: HALLINAN ENTERPRISES LLC
% Ownership: 100.0000000000%

Total Value: N/A
 Tax Area: 0111 - 1-50F1E1H2L1

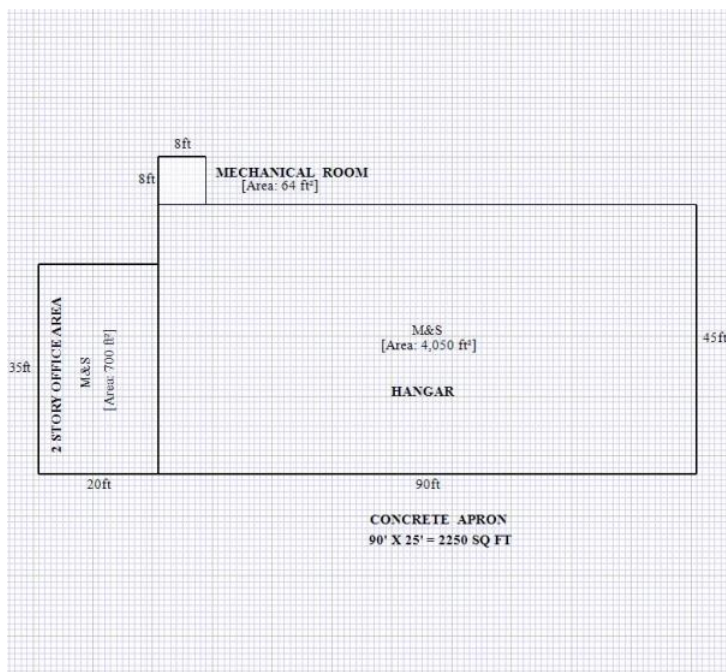
Levy Code	Description	Levy Rate	Appraised Value	Taxable Value	Estimated Tax
CE	COUNTY CURRENT EXPENSE	N/A	N/A	N/A	N/A
CNTYDD	DEVELOPMENTAL DISABILITIES	N/A	N/A	N/A	N/A
CNTYVET	VETERANS RELIEF	N/A	N/A	N/A	N/A
MENTAL	MENTAL HEALTH	N/A	N/A	N/A	N/A
ROADS	COUNTY ROADS	N/A	N/A	N/A	N/A
ROADSCU	COUNTY ROADS TO CUR EXP	N/A	N/A	N/A	N/A
HOS2BOND	HOSP DIST #2 GO BOND 2013 NON VOTED	N/A	N/A	N/A	N/A
HOSP2CASH	HOSP DIST #2 GENERAL	N/A	N/A	N/A	N/A
SCH50BOND	SCHOOL DIST #50 BOND 2016	N/A	N/A	N/A	N/A
SCH50CP	SCHOOL DIST #50 CAP PROJ	N/A	N/A	N/A	N/A
SCH50MO	SCHOOL DIST #50 EP & O	N/A	N/A	N/A	N/A
CONSERVE	CONSERVATION FUTURES	N/A	N/A	N/A	N/A
EMS1	FIRE DIST #1 EMS	N/A	N/A	N/A	N/A
FD1	FIRE DIST #1 GENERAL	N/A	N/A	N/A	N/A
LIB1	LIBRARY DIST #1 GENERAL	N/A	N/A	N/A	N/A
PORTPT	PORT OF PT GENERAL	N/A	N/A	N/A	N/A
PORTPTIDD	PORT OF PT IDD 2019	N/A	N/A	N/A	N/A
PUD1	PUD #1 GENERAL	N/A	N/A	N/A	N/A
STATE	STATE SCHOOL PART 1	N/A	N/A	N/A	N/A
STATE2	STATE SCHOOL PART 2	N/A	N/A	N/A	N/A
Total Tax Rate:		N/A			
Taxes w/Current Exemptions:					N/A
Taxes w/o Exemptions:					N/A

Improvement / Building

Improvement #1: Commercial/Industrial/Government Bldg **State Code:** 43 5450.0 sqft **Value:** \$364,586
 Exterior Wall: METAL Floor Construction: CONCR
 Foundation: CONPR Interior Finish: UNFIN
 Roof Cover: METAL

Type	Description	Class CD	Sub Class CD	Year Built	Area
M&S	Commercial (M&S)	4	*	2006	1400.0
M&S	Commercial (M&S)	4	*	2006	4050.0

Sketch



Property Image



Land

No land segments exist for this property.

Roll Value History

Year	Improvements	Land Market	Current Use	Total Appraised	Taxable Value
2021	N/A	N/A	N/A	N/A	N/A
2020	\$314,414	\$0	\$0	\$314,414	\$314,414
2019	\$314,414	\$0	\$0	\$314,414	\$314,414
2018	\$314,414	\$0	\$0	\$314,414	\$314,414
2017	\$301,896	\$0	\$0	\$301,896	\$301,896

Deed and Sales History

Payout Agreement

No payout information available..



[Assessor Home Page](#)
[Treasurer Home Page](#)
[County Maps](#)
[Permits](#)
[Disclaimer](#)

555428 PGS:1 UCC

11/01/2010 10:25 AM \$62.00 CORPORATION SERVICE COMPANY
Jefferson County WA Auditor's Office - Donna Eldridge, Auditor

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional] Corporation Service Company 1-800-858-5294	
B. SEND ACKNOWLEDGMENT TO: (Name and Address)	
53703744 - 308510	
Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703	
Filed In: Washington Jefferson	

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME Hallinan Enterprises, LLC						
OR	1b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
1c. MAILING ADDRESS 191 Airport Road			CITY Port Townsend	STATE WA	POSTAL CODE 98368	COUNTRY USA
1d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION LLC	1f. JURISDICTION OF ORGANIZATION WA	1g. ORGANIZATIONAL ID #, if any 602-818-668 <input type="checkbox"/> NONE		

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME Port Townsend Aircraft Services, LLC						
OR	2b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
2c. MAILING ADDRESS 191 Airport Road			CITY Port Townsend	STATE WA	POSTAL CODE 98368	COUNTRY USA
2d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION LLC	2f. JURISDICTION OF ORGANIZATION WA	2g. ORGANIZATIONAL ID #, if any 602-471-199 <input type="checkbox"/> NONE		

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME Columbia State Bank						
OR	3b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
3c. MAILING ADDRESS 1102 Broadway Plaza MS6100			CITY Tacoma	STATE WA	POSTAL CODE 98402	COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral:

APN: PTN 001-284-006 ABV LEGAL: PTN QTR SEC SE 1/4, SEC 28, TWN 30 N, R 1 W, W.M.

AIRPLANE HANGER AND ALL FIXTURES AND OTHER ARTICLES OF PERSONAL PROPERTY NOW OR HEREAFTER OWNED BY DEBTOR, AND/OR HEREAFTER ATTACHED OR AFFIXED TO THE REAL PROPERTY, TOGETHER WITH ALL ACCESSIONS, PARTS, AND ADDITIONS TO, ALL REPLACEMENTS OF, AND ALL SUBSTITUTIONS FOR, ANY OF SUCH PROPERTY; AND TOGETHER WITH ALL ISSUES AND PROFITS THEREON AND PROCEEDS (INCLUDING WITHOUT LIMITATION ALL INSURANCE PROCEEDS AND REFUNDS OF PREMIUMS) FROM ANY SALE OR OTHER DISPOSITION OF THE PERSONAL PROPERTY. THE REAL PROPERTY IS LOCATED AT: 191 AIRPORT ROAD, PORT TOWNSEND, WASHINGTON 98368.

NAME & ADDRESS OF RECORD OWNER: PORT OF PORT TOWNSEND, P.O. BOX 1180, PORT TOWNSEND, WASHINGTON 98368
OCCUPIED BY PORT TOWNSEND AIRCRAFT SERVICES, LLC.

LEGAL DESCRIPTION: STEEL-FRAME AIRCRAFT HANGER, BUILT IN 2006, MEASURES 90 FEET BY 45 FEET, AREA OF 5,450 SQUARE FEET.

BUILDING IS LOCATED AT JEFFERSON COUNTY INTERNATIONAL AIRPORT (JCIA) IMMEDIATELY ADJACENT TO THE WILLIS HOUSE BUILDING. (A SURVEY TO BE DONE AT TIME OF CONSTRUCTION. AS OF JULY 21, 2010 SURVEY HAS NOT BEEN COMPLETED)

5. ALTERNATIVE DESIGNATION [if applicable]:	LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOR	SELLER/BUYER	AG. LIEN	NON-UCC FILING
6. <input checked="" type="checkbox"/> This FINANCING STATEMENT is to be filed [or record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional]		All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2 <input type="checkbox"/>			

8. OPTIONAL FILER REFERENCE DATA 9693001068 / 1089

53703744



UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Corporation Service Company 1-800-858-5294
B. E-MAIL CONTACT AT FILER (optional) SPRFiling@cscinfo.com
C. SEND ACKNOWLEDGMENT TO: (Name and Address) 105286264 - 308510 Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703 Filed In: Washington (Jefferson)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER 555428 11/01/2010	1b. <input checked="" type="checkbox"/> This FINANCING STATEMENT AMENDMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13
--	--

2. TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. PARTY INFORMATION CHANGE:
Check one of these two boxes: Debtor or Secured Party of record
AND Check one of these three boxes to:
 CHANGE name and/or address: Complete item 6a or 6b, and item 7a or 7b and item 7c
 ADD name: Complete item 7a or 7b, and item 7c
 DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME: Hallinan Enterprises, LLC			
OR			
6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME	
OR	
7b. INDIVIDUAL'S SURNAME	
INDIVIDUAL'S FIRST PERSONAL NAME	
INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
---------------------	------	-------	-------------	---------

8. COLLATERAL CHANGE: Also check one of these four boxes: ADD collateral DELETE collateral RESTATE covered collateral ASSIGN collateral

APN: ^{Indicate collateral:} PTN 001-284-006 ABV LEGAL: PTN QTR SEC SE 1/4, SEC 28, TWN 30 N, R 1 W, W.M.

AIRPLANE HANGER AND ALL FIXTURES AND OTHER ARTICLES OF PERSONAL PROPERTY NOW OR
HEREAFTER OWNED BY DEBTOR, AND/OR HEREAFTER ATTACHED OR AFFIXED TO THE REAL PROPERTY,
TOGETHER WITH ALL ACCESSIONS, PARTS, AND ADDITIONS TO, ALL REPLACEMENTS OF, AND ALL
SUBSTITUTIONS FOR, ANY OF SUCH PROPERTY; AND TOGETHER WITH ALL ISSUES AND PROFITS THEREON

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)

If this is an Amendment authorized by a DEBTOR, check here and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME: Columbia State Bank			
OR			
9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

10. OPTIONAL FILER REFERENCE DATA: Debtor: Hallinan Enterprises, LLC-1089/9693001068

105286264

UCC FINANCING STATEMENT AMENDMENT ADDENDUM

FOLLOW INSTRUCTIONS

11. INITIAL FINANCING STATEMENT FILE NUMBER: Same as item 1a on Amendment form
555428 11/01/2010

12. NAME OF PARTY AUTHORIZING THIS AMENDMENT: Same as item 9 on Amendment form

12a. ORGANIZATION'S NAME Columbia State Bank	
OR	
12b. INDIVIDUAL'S SURNAME	
FIRST PERSONAL NAME	
ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

13. Name of DEBTOR on related financing statement (Name of a current Debtor of record required for indexing purposes only in some filing offices - see Instruction item 13): Provide only one Debtor name (13a or 13b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); see instructions if name does not fit

13a. ORGANIZATION'S NAME			
OR			
13b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

14. ADDITIONAL SPACE FOR ITEM 8 (Collateral):

AND PROCEEDS (INCLUDING WITHOUT LIMITATION ALL INSURANCE PROCEEDS AND REFUNDS OF PREMIUMS) FROM ANY SALE OR OTHER DISPOSITION OF THE PERSONAL PROPERTY. THE REAL PROPERTY IS LOCATED AT: 191 AIRPORT ROAD, PORT TOWNSEND, WASHINGTON 98368.
NAME & ADDRESS OF RECORD OWNER: PORT OF PORT TOWNSEND, P.O. BOX 1180, PORT TOWNSEND, WASHINGTON 98368
OCCUPIED BY PORT TOWNSEND AIRCRAFT SERVICES, LLC.
LEGAL DESCRIPTION: STEEL-FRAME AIRCRAFT HANGER, BUILT IN 2006, MEASURES 90 FEET BY 45 FEET, AREA OF 5,450 SQUAREFEET.
BUILDING IS LOCATED AT JEFFERSON COUNTY INTERNATIONAL AIRPORT (JCIA) IMMEDIATELY ADJACENT TO THE WILLIS HOUSE BUILDING. (A SURVEY TO BE DONE AT TIME OF CONSTRUCTION. AS OF JULY 21, 2010 SURVEY HAS NOT BEEN COMPLETED)

15. This FINANCING STATEMENT AMENDMENT:
 covers timber to be cut covers as-extracted collateral is filed as a fixture filing

16. Name and address of a RECORD OWNER of real estate described in item 17
(if Debtor does not have a record interest):

17. Description of real estate:

18. MISCELLANEOUS:



UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) CSC 1-800-858-5294	
B. E-MAIL CONTACT AT FILER (optional) SPRFiling@cscglobal.com	
C. SEND ACKNOWLEDGMENT TO: (Name and Address)	
1941 99556 CSC 801 Adlai Stevenson Drive Springfield, IL 62703	Filed In: Washington (Jefferson)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER 555428 11/01/2010	1b. <input checked="" type="checkbox"/> This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13
--	--

2. TERMINATION: Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement

3. ASSIGNMENT (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8

4. CONTINUATION: Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. PARTY INFORMATION CHANGE:

Check one of these two boxes:

AND Check one of these three boxes to:

This Change affects Debtor or Secured Party of record

CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c

ADD name: Complete item 7a or 7b, and item 7c

DELETE name: Give record name to be deleted in item 6a or 6b

6. CURRENT RECORD INFORMATION: Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME: Hallinan Enterprises, LLC			
OR	6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

7. CHANGED OR ADDED INFORMATION: Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

OR	7a. ORGANIZATION'S NAME			
OR	7b. INDIVIDUAL'S SURNAME			
	INDIVIDUAL'S FIRST PERSONAL NAME			
	INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)			SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY USA
---------------------	------	-------	-------------	----------------

8. COLLATERAL CHANGE: Also check one of these four boxes: ADD collateral DELETE collateral RESTATE covered collateral ASSIGN collateral
Indicate collateral:

9. NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT: Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)

If this is an Amendment authorized by a DEBTOR, check here and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME: Columbia State Bank			
OR	9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

10. OPTIONAL FILER REFERENCE DATA: Debtor: Hallinan Enterprises, LLC-9693001068

1941 99556

555798 PGS:6 ASL

11/17/2010 09:00 AM \$67.00 COLUMBIA BANK
Jefferson County WA Auditor's Office - Donna Eldridge, Auditor

AFTER RECORDING RETURN TO:
Columbia State Bank
1102 Broadway Plaza, MS 6100
Tacoma, WA 98402

NO REAL ESTATE
EXCISE TAX REQUIRED
JEFFERSON COUNTY TREASURER

BY: *[Signature]* Deputy

(Space Above This Line For Recording Data)

LOAN NUMBER: 9693001068

ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS ("Assignment"), is given on **October 21, 2010** by **Hallinan Enterprises, LLC**, a Washington Limited Liability Company, whose address is **191 Airport Road, Port Townsend, Washington 98368** ("Owner") to **Columbia State Bank - Kingston Office** which is organized and existing under the laws of the state of Washington, and whose address is **26563 Lindvog Rd NE, Kingston, Washington 98346** ("Lender"). The Lender is, or is about to become, the holder of the following Deed of Trust dated **October 21, 2010** in the amount of **Three Hundred Fifty-two Thousand Eight Hundred Eighty-one and 14/100 Dollars (\$352,881.14)** (" Deed of Trust ") executed by Owner covering the following described property:

Address: **191 Airport Rd, Port Townsend, Washington 98368**

Legal Description: **Subject Property: Steel-Frame Aircraft Hanger, built in 2006. The building has a maintenance/storage hanger that measures 90 feet by 45 feet, and a two-story office/reception and lounge that has a footprint of 700 square feet. The total footprint area is 4,750 square feet, and the gross building area is 5, 450 square feet. Owner-Occupied by Port Townsend Aircraft services, LLC.**

Legal Description: **A 5,000 square foot building pad located at Jefferson County International Airport immediately adjacent to the Willis House building. (A survey to be done at time of construction. As of July 21, 2010 survey has not been completed).**

Parcel ID/Sidwell Number: **A portion of 001-284-006**

("Secured Property") which secures the following Note(s):

- Loan with a principal amount of **\$352,881.14**

and any other indebtedness of Owner to Lender, whether now or subsequently owing or to become due and no matter how created. The Secured Property has been demised by the Owner under a lease(s) which may be described as follows:

An Assignment of Lease between The Port of Port Townsend and Port Townsend Aircraft Services, LLC dated June 1, 2005 and then assigned by Hallinan Enterprises, LLC to Port Townsend Aircraft Services, LLC dated April 21, 2008.

Lender, as a condition of making the above loan(s), has required an assignment of the lease(s) and the rents, income and profits derived from the use of the Secured Property and every part thereof, as additional security for said loan(s).

Initials *mh*

In consideration of the recitals above and as additional security for the indebtedness above, Owner assigns, transfers, sets over to, and grants Lender a security interest in the lease(s) described herein and any guaranties, renewals or extensions thereof, together with any other lease(s), whether written or unwritten, entered into before or after this Assignment and demising any part of the Secured Property, and all rents, income and profits derived from the Secured Property and any portion thereof.

OWNER'S DUTIES; DEFAULT. With respect to any lease(s) entered into before or after this Assignment demising any part of the Secured Property, Owner represents to and agrees with Lender that as long as any indebtedness of Owner to Lender shall remain unpaid, Owner shall not, without the written consent of Lender: (a) cancel any lease(s); (b) accept a surrender of any lease(s); (c) modify or alter any lease(s) in any way, either orally or in writing; (d) reduce the rental set forth in any lease(s); (e) consent to any assignment of the lessee's interest in any lease(s), or to any subletting thereunder; (f) collect or accept payment of rent, income or profit under any lease(s) for more than one (1) month in advance of the due date; (g) make any other assignment, pledge, encumbrance, or other disposition of any lease(s), or of the rents, income and profits derived from the use of the Secured Property; or, (h) fail to keep the Secured Property free and clear of all liens and encumbrances. Any of the above acts, if done without the written consent of Lender, shall be null and void and shall constitute a default under the aforesaid Note(s) and Deed of Trust and this Assignment.

OWNER'S WARRANTIES. Owner further covenants with and warrants to Lender that: (a) the said lease(s) are valid, presently in full force and effect and that there are no defaults now existing thereunder; and (b) Owner has not: (1) executed or granted any prior assignment, encumbrance, or security interest concerning any lease(s) or the rentals thereunder; (2) performed any acts or executed any other instruments or agreements which would limit and prevent Lender from obtaining the benefit of and exercising its rights conferred by this Assignment; (3) executed or granted any modification of any lease(s) either orally or in writing; and (c) the Secured Property and the rents, income and profit derived from the use of the Secured Property are free of liens, encumbrances, claims and setoffs.

REMEDIES. It is mutually agreed between Lender and Owner that until a default or breach shall occur in the performance of Owner's covenants hereunder, or any default shall occur under the Deed of Trust or any loan agreement between Owner and Lender pertaining to any indebtedness referred to herein, or any default shall occur in the making of any of the payments provided for in the above described Deed of Trust or Note, Owner may receive, collect and enjoy the rents, income and profits accruing from the Secured Property, but not more than one (1) month in advance of the due date. In the event of any such default or breach, Lender may, at its option, immediately thereafter receive and collect all rents, income and profits from the Secured Property as they come due under the lease(s) described herein and all renewals and extensions thereof, and under any other lease(s) heretofore or hereafter entered into demising any part of the Secured Property, and Lender shall thereafter continue to receive and collect all such rents, income and profits as long as such default or breach shall exist, and during the pendency of any foreclosure proceedings and throughout any applicable redemption period if there is a deficiency after foreclosure sale, and during all such periods. Lender may, but is not obligated to, apply some or all of the rents, income and profits to protect Lender's interest in the Property, including, but not limited to, payment of property taxes.

NOTICE. In the event of any such default or breach, Owner expressly authorizes Lender, at its option, to enter upon the Secured Property or any part thereof, by its officers, agents, or employees, for the collection of the rents, income and profits and for the operation and maintenance of the Secured Property. Owner authorizes Lender in general to perform all acts necessary for the operation and maintenance of the Secured Property in the same manner and to the same extent that the Owner might so act. After payment of all charges and expenses, including, without limitation, current and delinquent property taxes and customary operating expenses, the Lender shall credit the net amount of income received by virtue of Lender's exercise of this Assignment to any amounts due Lender under the terms and provisions of the aforesaid Note(s) and Deed of Trust, and in the event of any foreclosure sale, to any deficiency during any redemption period. The manner of the application of such net income and the item or items to which it shall be applied shall be within the sole discretion of the Lender, and Lender shall be accountable

only for money actually received by it pursuant to this Assignment. Such entry and taking possession of the Secured Property or any part thereof by Lender, may be made by actual entry and possession or by written notice served personally upon or sent by certified mail to the last owner of the Secured Property appearing on the records of the Lender, as the Lender may elect, and no further authorization or notice shall be required.

WAIVER OF NOTICE. TO THE EXTENT PERMITTED BY LAW, OWNER WAIVES ANY RIGHT TO NOTICE, OTHER THAN THE NOTICE PROVIDED ABOVE, AND WAIVES ANY RIGHT TO ANY HEARING, JUDICIAL OR OTHERWISE, PRIOR TO THE LENDER EXERCISING ITS RIGHTS UNDER THIS ASSIGNMENT.

LENDER AS OWNER OF SECURED PROPERTY. It is mutually agreed that nothing contained in the Remedies and Additional Remedies above shall in any way diminish, restrict, or affect any rights of Lender under the lease(s) referred to herein if Lender should become the owner of the Secured Property after the expiration of any redemption period in connection with any foreclosure proceedings.

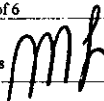
SUBSEQUENT LEASES. Owner agrees to promptly inform Lender of, and to promptly transfer, assign and deliver to the Lender, any subsequent lease(s) of the Secured Property or any part thereof, and to make, execute and deliver to the Lender, upon demand, any and all documents, agreements and instruments as may, in Lender's opinion, be necessary to protect the Lender's rights under this Assignment. Owner's failure to comply with the agreements herein made shall not impair Lender's rights hereunder with respect to any such subsequent lease(s), nor shall such failure in any way affect the applicability of this Assignment to such lease(s) and the rentals receivable thereunder.

PROTECTION OF LENDER'S RIGHTS AND INTERESTS; NO WAIVER; DEFAULT. Owner further agrees to perform and discharge each and every obligation, covenant, and agreement required to be performed by the Landlord under the lease(s) referred to herein, and should Owner fail to do so, the Lender, without obligation to do so and without releasing Owner from any such obligation, may make or do the same in such manner and to such extent as the Lender deems necessary to protect its rights and interests under this Assignment. Nothing in this Assignment shall be construed to require the Lender to perform any of the terms and provisions contained in the lease(s), or otherwise to impose any obligation or liability upon the Lender. Neither the performance nor the nonperformance by the Lender of Owner's obligations shall be deemed a waiver of any default by the Owner under the Deed of Trust, this Assignment or under the Note(s). Owner agrees to indemnify and hold harmless Lender from all liability, loss, or damage, which may be incurred under the lease(s) or by reason of this Assignment. If Lender incurs any expenses due to performing Owner's obligations under the lease(s) and Assignment, or incurs damages, attorney fees or costs due to claims or demands under the lease(s) and Assignment, such amounts shall be payable on demand by Owner to Lender. Any default by Owner in the performance of any of the obligations in this Assignment shall be a default under the terms of the said Deed of Trust, entitling Lender to exercise all rights and remedies provided by the Deed of Trust, this Assignment, and under the Note(s).

LESSEE PAYMENTS TO LENDER. Owner irrevocably consents and agrees that any lessee(s) under any of the lease(s) referred to herein shall, upon demand and notice from Lender of Owner's default under said Note(s), Deed of Trust, or this Assignment, pay all rents, income, and profits under said lease(s) to Lender, without any obligation upon any such lessee(s) to determine the actual existence of any default by Owner.

LENDER ASSIGNMENT OF LEASE. Owner agrees that Lender shall have the right to assign Owner's right, title and interest in the lease(s) referred to herein to any subsequent holder of the Deed of Trust or Note(s) and to assign the same to any person acquiring title to the Secured Property through foreclosure.

SCOPE OF ASSIGNMENT OF LEASE AND RENTS. This Assignment extends to and includes every lease or rental agreement, whether written or unwritten, now existing or hereafter entered into, demising any part of the Secured Property. Wherever used herein, the term "lease" or "leases" includes all such rental agreements. If no specific lease is described above, then this Assignment shall be a general assignment of all leases and rental agreements concerning the Secured Property.



LENDER'S RIGHTS AND REMEDIES. The rights and remedies of the Lender under this Assignment are cumulative; and are not in lieu of, but are in addition to all other rights and remedies which Lender has under the Note(s), Deed of Trust, Loan Agreement and any related documents.

SUCCESSORS AND ASSIGN. All covenants and agreements contained in this Assignment shall apply to and bind the grantees, heirs, personal representatives, successors, and assigns of the respective parties.

ENTIRE AGREEMENT; MODIFICATIONS; SEVERABILITY. This Assignment shall constitute the entire agreement between Lender and Owner. Any modification of this Assignment shall be binding only if placed in writing and signed by the Lender and Owner. The invalidity of any provision of this Assignment shall not affect the validity of any other provision.

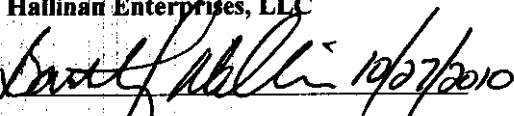
PARAGRAPH HEADINGS. The titles to the paragraphs of this Assignment are solely for the convenience of the parties and shall not be used to interpret this Assignment.


GOVERNING LAW. This Assignment shall be interpreted, and the rights of the parties determined, under the laws of the State of Washington.

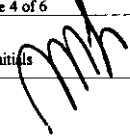
ORAL AGREEMENTS DISCLAIMER. Oral agreements or oral commitments to loan money, extend credit, or to forbear from enforcing repayment of a debt are not enforceable under Washington law.

By signing this Assignment, Owner acknowledges reading, understanding, and agreeing to all its provisions.

Hallinan Enterprises, LLC


By: Bartley J. Hallinan Date
Its: Manager


By: Jodi M. Hallinan Date
Its: Member

Initials 

BUSINESS ACKNOWLEDGMENT

STATE OF WASHINGTON)

COUNTY OF Jefferson)

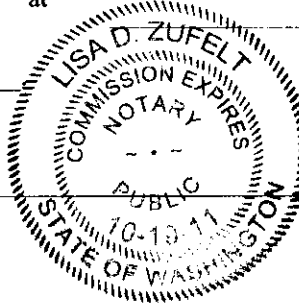
On this the 27th of October, 2010, before me, Lisa D. Zufelt, a Notary Public, personally appeared Bartley J. Hallinan, Manager on behalf of Hallinan Enterprises, LLC, a Washington Limited Liability Company, to me personally known or who having proven to me on the basis of satisfactory evidence to be the person whose name is subscribed within this instrument and who acknowledged that ~~he~~ she holds the position set forth and that ~~he~~ she is being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Limited Liability Company by ~~himself~~ herself as Manager of Hallinan Enterprises, LLC, and that the foregoing instrument is the voluntary act and deed of the Limited Liability Company. In witness whereof, I hereunto set my hand and, if applicable, official seal.

My commission expires: 10-19-11

Notary Public, in and for the state of
Washington, residing at

Poulsbo, WA
98370

Lisa D. Zufelt
Lisa D. Zufelt



(Official Seal)

Initials MB

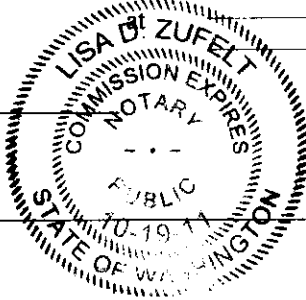
BUSINESS ACKNOWLEDGMENT

STATE OF WASHINGTON)
COUNTY OF Jefferson)

On this the 27th of October, 2010 before me, Lisa D. Zfelt, a Notary Public, personally appeared Jodi M. Hallinan, Member on behalf of Hallinan Enterprises, LLC, a Washington Limited Liability Company, to me personally known or who having proven to me on the basis of satisfactory evidence to be the person whose name is subscribed within this instrument and who acknowledged that he/she holds the position set forth and that he/she is being authorized to do so, executed the foregoing instrument for the purpose therein contained, by signing the name of the Limited Liability Company by himself/herself as Member of Hallinan Enterprises, LLC, and that the foregoing instrument is the voluntary act and deed of the Limited Liability Company. In witness whereof, I hereunto set my hand and, if applicable, official seal.

My commission expires: 10-19-11

Lisa D. Zfelt
Notary Public, in and for the state of Washington, residing Paulsbo, WA 98370



(Official Seal)

THIS INSTRUMENT PREPARED BY:
Columbia State Bank
1102 Broadway Plaza, MS 6100
Tacoma, WA 98402

Initials *mk*

589880 PGS:5 UCC

03/09/2015 03:45 PM \$76.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Rose Ann Carroll, Auditor



UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional)

B. E-MAIL CONTACT AT FILER (optional)

C. SEND ACKNOWLEDGMENT TO: (Name and Address)

Columbia Bank Loan Operations
Operation Center Annex - MS 6100
2228 South 78th Street
Tacoma, Washington 98409

80721

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME Hallinan Enterprises, LLC					
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
1c. MAILING ADDRESS 191 Airport Road		CITY Port Townsend	STATE WA	POSTAL CODE 98368	COUNTRY USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME Port Townsend Aircraft Services, LLC					
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
2c. MAILING ADDRESS 191 Airport Road		CITY Port Townsend	STATE WA	POSTAL CODE 98368	COUNTRY USA

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME Columbia State Bank					
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
3c. MAILING ADDRESS 26563 Lindvog Road NE		CITY Kingston	STATE WA	POSTAL CODE 98346	COUNTRY USA

4. COLLATERAL: This financing statement covers the following collateral:
See Exhibit 1 attached hereto and incorporated herein by this reference.

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:
 Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
Loan number #9693001068

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

9a. ORGANIZATION'S NAME Hallinan Enterprises, LLC	
OR	
9b. INDIVIDUAL'S SURNAME	
FIRST PERSONAL NAME	
ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a. ORGANIZATION'S NAME				
OR				
10b. INDIVIDUAL'S SURNAME				
INDIVIDUAL'S FIRST PERSONAL NAME				
INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)				SUFFIX
10c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME				
OR				
11b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX	
11c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

13. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS (if applicable)

14. This FINANCING STATEMENT:

covers timber to be cut covers as-extracted collateral is filed as a fixture filing

15. Name and address of a RECORD OWNER of real estate described in item 15 (if Debtor does not have a record interest):

16. Description of real estate:

See reference in No. 4. (See Exhibit 1 attached hereto and incorporated herein by this reference)

17. MISCELLANEOUS:

Loan number #9693001068

**EXHIBIT 1
TO UCC FINANCING STATEMENT**

This Exhibit supplements the UCC Financing Statement under which Columbia State Bank is Secured Party and Port Townsend Aircraft Services, LLC, and Hallinan Enterprises, LLC, are Debtor (also referred to collectively as "Grantor" herein). The UCC Financing Statement is to be filed in the real property records as a fixture filing. The record owner of the land is Port of Port Townsend. The word "Collateral" means the following described property of Grantor, located on or used in connection with the operation of the Property described below, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

a. Leasehold and Appurtenances. The leasehold on land described below and all tenements, hereditaments, rights of way, easements, appendages, and appurtenances thereto belonging or in any way appertaining, including without limitation all of the right, title, and interest of Grantor in and to any avenues, streets, ways, alleys, vaults, strips or gores of land adjoining that land, and all claims or demands of Grantor either in law or in equity in possession or expectancy of, in, and to the foregoing;

b. Improvements and Fixtures. All buildings, structures and other improvements now or hereafter erected on the property described above, and all facilities, fixtures, machinery, apparatus, installations, goods, furniture, and equipment, and other properties of whatsoever nature (including without limitation all heating, ventilating, air conditioning, plumbing and electrical equipment, all elevators and escalators, all sprinkler systems, all engines and motors, all lighting, laundry, cleaning, fire prevention and fire extinguishing equipment, all ducts and compressors, all refrigerators, stoves and other appliances, attached cabinets, partitions, rugs, carpets, blinds and draperies, all building materials and supplies, and all construction materials and equipment), now or hereafter located in or used or procured for use in connection with that property, it being the intention of the parties that all property of the character hereinabove described which is now owned or hereafter acquired by Grantor and which is affixed or attached to or used in connection with the property described above shall be, remain, and/or become a portion of that property and shall be covered by and subject to the lien of this Deed of Trust, together with all contracts, agreements, permits, plans, specifications, drawings, surveys, engineering reports, and other work products relating to the construction of the existing or any future improvements on the property described above, any and all rights of Grantor in, to, or under any architect's contracts or construction contracts relating to the construction of the existing or any future improvements on the property described above, and any performance and/or payment bonds issued in connection therewith together with any and all rights of Grantor, without limitation, to make claim for, collect, receive, and receipt for any and all rents, income, revenues, issues, royalties, profits, including mineral, oil, and gas rights and profits, insurance proceeds, condemnation awards and other moneys payable or receivable from or on account of any of the foregoing, including interest thereon, or to enforce all other provisions of any agreement (including those referred to above) affecting or relating to any of the foregoing;

c. Enforcement and Collection. Any and all rights of Grantor, without limitation, to make claim for, collect, receive and receipt for any and all rents, income, revenues, issues, royalties, and profits, including mineral, oil and gas rights and profits, insurance proceeds, condemnation awards and other moneys, payable or receivable from or on account of any of the property described in above, including interest thereon, or to enforce all other provisions of any other agreement (including those described above) affecting or relating to any of the property described above, to bring any suit in equity, action at law or other proceeding for the collection of such moneys or for the specific or other enforcement of any such agreement, award or judgment, in the name of Grantor or otherwise, and to do any and all things which Grantor is or may be or become entitled to do with respect thereto, provided, however, that no obligation of Grantor under the provisions of any such agreements, awards or judgments shall be impaired or diminished by virtue hereof, nor shall any such obligation be imposed upon Trustee or Beneficiary;

d. Accounts and Income. Any and all rights of Grantor in any and all accounts, rights to payment, contract rights, chattel paper, documents, instruments, licenses, contracts, agreements and general intangibles relating to any of the property described above, including without limitation income and profits derived from the operation of any business on the property described above or attributable to services that occur or are provided on the property described above or generated from the use and operation of the property described above;

e. Miscellaneous Income and Accounts Receivable. All other income, accounts, and accounts receivable of any nature whatsoever generated from any the foregoing including without limitation income from concessions, vending, laundry and other coin operated equipment, storage and parking income, and concession, ticket, sales, and advertising income;

f. Leasehold Interest. All of the leasehold estate and interest of Grantor in the Real Property pursuant to a Lease dated June 1, 2005 ("Grantor Lease"), as amended from time to time, the fee simple title or any other estate, interest, or rights of Grantor in or to any present or future Improvements on the leasehold estate, and any and all other estates, interests, or rights that may at any time be acquired by Grantor in or to any part of the Real Property and the Improvements, whether by renewal, modification, or extension of the Grantor Lease, by exercise of an option to purchase, by construction of Improvements, by maturity of any bond financing, or otherwise, and all personal property, improvements, leases and rents;

g. Leases. All of Grantor's rights as landlord in and to all existing and future leases, subleases and occupancy agreements affecting all or any portion of the property described above or any part thereof and all amendments, modifications, extensions, renewals, or supplements thereto approved in writing by Beneficiary, whether written or oral and whether for a definite term or month to month (collectively "Leases"), including all rents and deposits received or receivable thereunder. In accepting this Deed of Trust neither Beneficiary nor Trustee assumes any liability for the performance of any such Leases;

h. Products and Proceeds. All products or proceeds of any of the foregoing described herein; and

i. Books and Records. All books and records of Grantor in any form relating to the foregoing described herein.

j. Additional Collateral. The word "Collateral" also means the following described property of each Grantor, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located: all equipment, inventory, chattel paper, accounts, general intangibles, and fixtures. In addition, the word "Collateral" includes all of the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

1. All attachments, accessions, tools, parts, supplies, increases, and additions to and all replacements of and substitutions for any property described in this section.
2. All products and produce of any of the property described in this section.
3. All accounts, contract rights, general intangibles, instruments, monies, payments, and all other rights, arising out of a sale, lease, or other disposition of any of the property described in this section.
4. All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this section.
5. All records and data relating to any of the property described in this section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

Fixtures are and will be located on real property identified as follows ("Property"):

That portion of the U.S. Military Reservation as shown on the Port of Port Townsend Survey recorded in Volume 14 of Surveys, Pages 91 and 92, records of Jefferson County, Washington described as follows:

Commencing at the Northeast corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, said Northeast corner of said Section 33 lying North $01^{\circ}44'08''$ East, a distance of 2,638.11 feet from the East $\frac{1}{4}$ corner of said Section 33:

Thence North $83^{\circ}47'42''$ West, a distance of 2,325.24 feet to the True Point of Beginning;

Thence North $71^{\circ}58'41''$ West, a distance of 81.89 feet;

Thence North $18^{\circ}01'19''$ East, a distance of 7.84 feet;

Thence North $71^{\circ}58'41''$ West, a distance of 34.22 feet;

Thence South $18^{\circ}01'19''$ West a distance of 42.85 feet;

Thence North $71^{\circ}58'41''$ West a distance of 10.18 feet;

Thence South $18^{\circ}01'19''$ West, a distance of 16.22 feet;

Thence South $71^{\circ}58'41''$ East, a distance of 126.29 feet;

Thence North $18^{\circ}01'19''$ East, a distance of 51.23 feet to the True Point of Beginning.

Situate in the County of Jefferson, State of Washington.



UCC FINANCING STATEMENT AMENDMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) CSC 1-800-858-5294	
B. E-MAIL CONTACT AT FILER (optional) SPRFiling@cscglobal.com	
C. SEND ACKNOWLEDGMENT TO: (Name and Address)	
1738 37230 CSC 801 Adlai Stevenson Drive Springfield, IL 62703	Filed In: Washington (Jefferson)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1a. INITIAL FINANCING STATEMENT FILE NUMBER 589880 03/09/2015	1b. <input type="checkbox"/> This FINANCING STATEMENT AMENDMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS Filer: attach Amendment Addendum (Form UCC3Ad) and provide Debtor's name in item 13
--	---

2. **TERMINATION:** Effectiveness of the Financing Statement identified above is terminated with respect to the security interest(s) of Secured Party authorizing this Termination Statement
3. **ASSIGNMENT** (full or partial): Provide name of Assignee in item 7a or 7b, and address of Assignee in item 7c and name of Assignor in item 9
For partial assignment, complete items 7 and 9 and also indicate affected collateral in item 8
4. **CONTINUATION:** Effectiveness of the Financing Statement identified above with respect to the security interest(s) of Secured Party authorizing this Continuation Statement is continued for the additional period provided by applicable law

5. **PARTY INFORMATION CHANGE:**
 Check one of these two boxes: AND Check one of these three boxes to:
 This Change affects Debtor or Secured Party of record CHANGE name and/or address: Complete item 6a or 6b; and item 7a or 7b and item 7c ADD name: Complete item 7a or 7b, and item 7c DELETE name: Give record name to be deleted in item 6a or 6b

6. **CURRENT RECORD INFORMATION:** Complete for Party Information Change - provide only one name (6a or 6b)

6a. ORGANIZATION'S NAME: Hallinan Enterprises, LLC

OR	6b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
----	--------------------------	---------------------	-------------------------------	--------

7. **CHANGED OR ADDED INFORMATION:** Complete for Assignment or Party Information Change - provide only one name (7a or 7b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name)

7a. ORGANIZATION'S NAME

OR

7b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)

SUFFIX

7c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY USA
---------------------	------	-------	-------------	----------------

8. **COLLATERAL CHANGE:** Also check one of these four boxes: ADD collateral DELETE collateral RESTATE covered collateral ASSIGN collateral
 Indicate collateral:

9. **NAME OF SECURED PARTY OF RECORD AUTHORIZING THIS AMENDMENT:** Provide only one name (9a or 9b) (name of Assignor, if this is an Assignment)
 If this is an Amendment authorized by a DEBTOR, check here and provide name of authorizing Debtor

9a. ORGANIZATION'S NAME: Columbia State Bank

OR	9b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
----	--------------------------	---------------------	-------------------------------	--------

10. OPTIONAL FILER REFERENCE DATA: Debtor: Hallinan Enterprises, LLC-9693001068 1738 37230

589881 PGS:5 CERT

03/09/2015 03:45 PM \$76.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Rose Ann Carroll, Auditor



When recorded mail to:

Columbia State Bank Loan Operations
Operations Center Annex - MS 6100
2228 South 78th Street
Tacoma, Washington 98409

80721

Loan number C-14-10-004930

LANDLORD'S ESTOPPEL CERTIFICATE

Borrower

Hallinan Enterprises, LLC
191 Airport Road
Port Townsend, Washington 98368

Lender

Columbia State Bank
26563 Lindvog Road NE
Kingston, Washington 98346

Lessee

Port Townsend Aircraft Services, LLC
191 Airport Road
Port Townsend, Washington 98368

Landlord

Port of Port Townsend
375 Hudson Street
PO Box 1180
Port Townsend, Washington 98368

THIS LANDLORD'S ESTOPPEL CERTIFICATE dated March 9, 2015, is made and executed by the Landlord identified above ("**Landlord**") in favor of the lender identified above ("**Lender**"). The lessee identified above ("**Lessee**") has a leasehold interest in property owned by Landlord. Lender is the lender to Lessee (also referred to as "**Borrower**"). Lessee and Lender have entered into, or are about to enter into, a financial transaction whereby Lender has acquired or will acquire a security interest or other lien on Lessee's leasehold interest in the property described below ("**Property**"). To induce Lender to extend one or more loans or other financial accommodations to Borrower against the security interest in the Property and for other valuable consideration, with knowledge that Lender is relying thereon, Landlord and Lessee hereby agree with Lender as follows:

LEASE. Landlord has leased the Property to Lessee pursuant to a lease ("**Lease**") dated on or about June 1, 2005, as amended, a memorandum of which is recorded in the Jefferson County, Washington, land records on March 9, 2015, as document number 589877. The Lease covers the Property described on Exhibit A attached hereto and incorporated by this reference, together with all improvements thereon, located in Jefferson County, Washington.

ESTOPPEL AND AGREEMENT. Landlord represents to, warrants to, and agrees with Lender as follows:

Lease. A true, correct and complete copy of the Lease is attached hereto, and the Lease has not been amended or modified except as may be shown on the copy of the Lease attached hereto. The Lease is in full force and effect and constitutes the entire agreement between Landlord and Lessee with respect to the Premises and the Lease. The Lease constitutes the legal, valid, and binding obligation of Landlord and is enforceable against Landlord in accordance with its terms. Landlord will not consent to any modification, termination, or cancellation of the Lease unless Lender first consents thereto in writing; provided, however, that periodic rent readjustments on the terms and at the intervals specified in the Lease shall not require Lender's prior written consent.

Ownership. Landlord is the sole record owner of the fee interest in the Premises and holder of the landlord's interest in, to, and under the Lease.

Rent. The minimum rent payable under the Lease currently is described in the Lease.

Term. The current term of the Lease expires as described in the Lease.

Defaults; Offsets. Neither Landlord nor, to the actual knowledge of Landlord, Lessee is in default under the Lease. Landlord has no knowledge of the existence of any event that, with the giving of notice, the passage of time, or both, would constitute a default by Landlord or, to the actual knowledge of Landlord, Lessee under the Lease. To the actual knowledge of Landlord, Lessee has no offsets, counterclaims, defenses, deductions, or credits with respect to the Lease. To Landlord's actual knowledge, all monetary obligations due from Lessee under the Lease to date have been fully and currently paid.

No Mortgages on Fee Interest. Landlord has not assigned, transferred, sold, encumbered, or mortgaged its interest in the Lease or the Premises (or any part thereof), and there currently are no mortgages, deeds of trust, or other security interests encumbering Landlord's fee interest in the Premises (or any part thereof).

No Violations of Law. Landlord has not received written notice that it or the Premises is in violation of any laws applicable to it or the Premises or its operation thereon, including without limitation any environmental laws.

Construction of Improvements. All obligations of Lessee regarding construction of any improvements on the Premises, if any, have been fully performed.

Eminent Domain. Landlord has not received written notice of any pending eminent domain proceedings or other governmental actions or any judicial actions of any kind against Lessee's or Landlord's interest in the Premises.

Subordination of Interest. Landlord agrees that any lien or claim Landlord may now or hereafter have in collateral located on the Premises will be subject at all times to Lender's security interest (or other present or future interest) in the collateral and will be subject to the rights granted by Landlord to Lender in this instrument.

Entry onto Premises. Landlord grants to Lender the right to enter upon the Property for the purpose of inspecting any and all collateral for the credit facility referenced above, removing items in which Lender has a security interest from the Property, or conducting sales on the Property. If Lender enters onto the Premises and removes collateral, Lender agrees with Landlord not to remove any collateral in such a way that the Premises are damaged without either repairing any such damage or reimbursing Landlord for the cost of repair.

MISCELLANEOUS PROVISIONS. Lender shall not be deemed to have waived any rights under this Certificate unless the waiver is in writing and signed by Lender. This Certificate shall be governed by and construed in

accordance with the laws of Washington. Any agent or other person executing this Certificate on behalf of Landlord represents and warrants to Lender that s/he has full power and authority to execute this Certificate on Landlord's behalf. This instrument may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

LANDLORD ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S ESTOPPEL CERTIFICATE AND AGREES TO ITS TERMS. THIS CERTIFICATE IS DATED MARCH 6th 2015.

Landlord

Port of Port Townsend, a Washington municipal corporation

By [Signature]
Title Executive Director

Acknowledged by Borrower

Hallinan Enterprises, LLC
By [Signature]
Bartley J. Hallinan, Managing Member

Acknowledged by Lessee

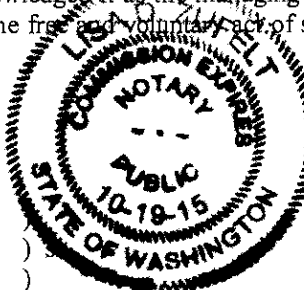
Port Townsend Aircraft Services, LLC
By [Signature]
Bartley J. Hallinan, Managing Member

Acknowledged by Lender

Columbia State Bank
By [Signature]
Margaret LeMay, Vice President

STATE OF WASHINGTON)
) ss.
County of Jefferson)

I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 6th 2015, and on oath stated that he was authorized to execute the instrument and acknowledged it as the managing member of Hallinan Enterprises, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public, State of Washington
My commission expires 10-19-15

STATE OF WASHINGTON)
)
County of Jefferson)

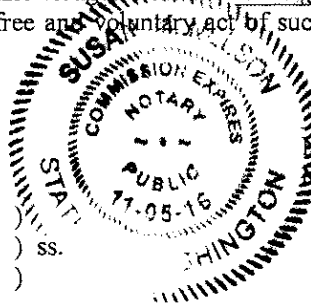
I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 6th 2015, and on oath stated that he was authorized to execute the instrument and acknowledged it as the managing member of Port Townsend Aircraft Services, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public for Washington
My commission expires 10-19-15

STATE OF WASHINGTON)
) ss.
County of Jefferson)

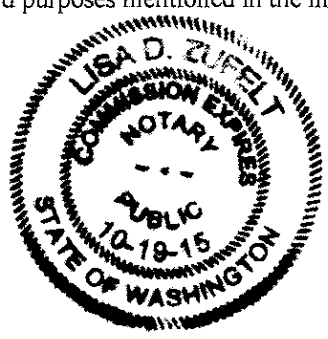
I certify that I know or have satisfactory evidence that Larry Crockett is the person who appeared before me and acknowledged that s/he signed this instrument on March 15, 2015, and on oath stated that s/he was authorized to execute the instrument and acknowledged it as the Exec. Director of the Port of Port Townsend, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Susan M. Nelson
Notary Public - State of Washington
My commission expires 11-05-16

STATE OF WASHINGTON)
) ss.
County of Jefferson)

I certify that I know or have satisfactory evidence that Margaret LeMay is the person who appeared before me and acknowledged that she signed this instrument on March 12, 2015, and on oath stated that she was authorized to execute the instrument and acknowledged it as the VP of Columbia State Bank, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Lisa D. Zufelt
Notary Public - State of Washington
My commission expires 10-19-15

Exhibit A

Legal Description

That portion of the U.S. Military Reservation as shown on the Port of Port Townsend Survey recorded in Volume 14 of Surveys, Pages 91 and 92, records of Jefferson County, Washington described as follows:

Commencing at the Northeast corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, said Northeast corner of said Section 33 lying North 01°44'08" East, a distance of 2,638.11 feet from the East $\frac{1}{4}$ corner of said Section 33:

Thence North 83°47'42" West, a distance of 2,325.24 feet to the True Point of Beginning;

Thence North 71°58'41" West, a distance of 81.89 feet;

Thence North 18°01'19" East, a distance of 7.84 feet;

Thence North 71°58'41" West, a distance of 34.22 feet;

Thence South 18°01'19" West a distance of 42.85 feet;

Thence North 71°58'41" West a distance of 10.18 feet;

Thence South 18°01'19" West, a distance of 16.22 feet;

Thence South 71°58'41" East, a distance of 126.29 feet;

Thence North 18°01'19" East, a distance of 51.23 feet to the True Point of Beginning.

Situate in the County of Jefferson, State of Washington.

589881 PGS:5 CERT

03/09/2015 03:45 PM \$76.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Rose Ann Carroll, Auditor



When recorded mail to:

Columbia State Bank Loan Operations
Operations Center Annex - MS 6100
2228 South 78th Street
Tacoma, Washington 98409

80721

Loan number C-14-10-004930

LANDLORD'S ESTOPPEL CERTIFICATE

Borrower

Hallinan Enterprises, LLC
191 Airport Road
Port Townsend, Washington 98368

Lender

Columbia State Bank
26563 Lindvog Road NE
Kingston, Washington 98346

Lessee

Port Townsend Aircraft Services, LLC
191 Airport Road
Port Townsend, Washington 98368

Landlord

Port of Port Townsend
375 Hudson Street
PO Box 1180
Port Townsend, Washington 98368

THIS LANDLORD'S ESTOPPEL CERTIFICATE dated March 5, 2015, is made and executed by the Landlord identified above ("**Landlord**") in favor of the lender identified above ("**Lender**"). The lessee identified above ("**Lessee**") has a leasehold interest in property owned by Landlord. Lender is the lender to Lessee (also referred to as "**Borrower**"). Lessee and Lender have entered into, or are about to enter into, a financial transaction whereby Lender has acquired or will acquire a security interest or other lien on Lessee's leasehold interest in the property described below ("**Property**"). To induce Lender to extend one or more loans or other financial accommodations to Borrower against the security interest in the Property and for other valuable consideration, with knowledge that Lender is relying thereon, Landlord and Lessee hereby agree with Lender as follows:

LEASE. Landlord has leased the Property to Lessee pursuant to a lease ("**Lease**") dated on or about June 1, 2005, as amended, a memorandum of which is recorded in the Jefferson County, Washington, land records on March 9, 2015, as document number 589877. The Lease covers the Property described on Exhibit A attached hereto and incorporated by this reference, together with all improvements thereon, located in Jefferson County, Washington.

ESTOPPEL AND AGREEMENT. Landlord represents to, warrants to, and agrees with Lender as follows:

Lease. A true, correct and complete copy of the Lease is attached hereto, and the Lease has not been amended or modified except as may be shown on the copy of the Lease attached hereto. The Lease is in full force and effect and constitutes the entire agreement between Landlord and Lessee with respect to the Premises and the Lease. The Lease constitutes the legal, valid, and binding obligation of Landlord and is enforceable against Landlord in accordance with its terms. Landlord will not consent to any modification, termination, or cancellation of the Lease unless Lender first consents thereto in writing; provided, however, that periodic rent readjustments on the terms and at the intervals specified in the Lease shall not require Lender's prior written consent.

Ownership. Landlord is the sole record owner of the fee interest in the Premises and holder of the landlord's interest in, to, and under the Lease.

Rent. The minimum rent payable under the Lease currently is described in the Lease.

Term. The current term of the Lease expires as described in the Lease.

Defaults; Offsets. Neither Landlord nor, to the actual knowledge of Landlord, Lessee is in default under the Lease. Landlord has no knowledge of the existence of any event that, with the giving of notice, the passage of time, or both, would constitute a default by Landlord or, to the actual knowledge of Landlord, Lessee under the Lease. To the actual knowledge of Landlord, Lessee has no offsets, counterclaims, defenses, deductions, or credits with respect to the Lease. To Landlord's actual knowledge, all monetary obligations due from Lessee under the Lease to date have been fully and currently paid.

No Mortgages on Fee Interest. Landlord has not assigned, transferred, sold, encumbered, or mortgaged its interest in the Lease or the Premises (or any part thereof), and there currently are no mortgages, deeds of trust, or other security interests encumbering Landlord's fee interest in the Premises (or any part thereof).

No Violations of Law. Landlord has not received written notice that it or the Premises is in violation of any laws applicable to it or the Premises or its operation thereon, including without limitation any environmental laws.

Construction of Improvements. All obligations of Lessee regarding construction of any improvements on the Premises, if any, have been fully performed.

Eminent Domain. Landlord has not received written notice of any pending eminent domain proceedings or other governmental actions or any judicial actions of any kind against Lessee's or Landlord's interest in the Premises.

Subordination of Interest. Landlord agrees that any lien or claim Landlord may now or hereafter have in collateral located on the Premises will be subject at all times to Lender's security interest (or other present or future interest) in the collateral and will be subject to the rights granted by Landlord to Lender in this instrument.

Entry onto Premises. Landlord grants to Lender the right to enter upon the Property for the purpose of inspecting any and all collateral for the credit facility referenced above, removing items in which Lender has a security interest from the Property, or conducting sales on the Property. If Lender enters onto the Premises and removes collateral, Lender agrees with Landlord not to remove any collateral in such a way that the Premises are damaged without either repairing any such damage or reimbursing Landlord for the cost of repair.

MISCELLANEOUS PROVISIONS. Lender shall not be deemed to have waived any rights under this Certificate unless the waiver is in writing and signed by Lender. This Certificate shall be governed by and construed in

accordance with the laws of Washington. Any agent or other person executing this Certificate on behalf of Landlord represents and warrants to Lender that s/he has full power and authority to execute this Certificate on Landlord's behalf. This instrument may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

LANDLORD ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S ESTOPPEL CERTIFICATE AND AGREES TO ITS TERMS. THIS CERTIFICATE IS DATED MARCH 6th 2015.

Landlord

Port of Port Townsend, a Washington municipal corporation

By [Signature]
Title Executive Director

Acknowledged by Borrower

Hallinan Enterprises, LLC
By [Signature]
Bartley J. Hallinan, Managing Member

Acknowledged by Lessee

Port Townsend Aircraft Services, LLC

By [Signature]
Bartley J. Hallinan, Managing Member

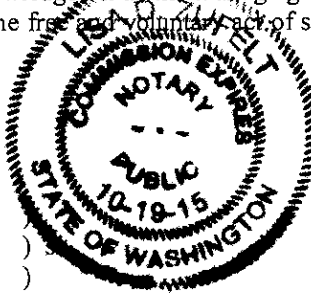
Acknowledged by Lender

Columbia State Bank

By [Signature]
Margaret LeMay, Vice President

STATE OF WASHINGTON)
) ss.
County of Jefferson)

I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 6th 2015, and on oath stated that he was authorized to execute the instrument and acknowledged it as the managing member of Hallinan Enterprises, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public, State of Washington
My commission expires 10-19-15

STATE OF WASHINGTON)
County of Jefferson)

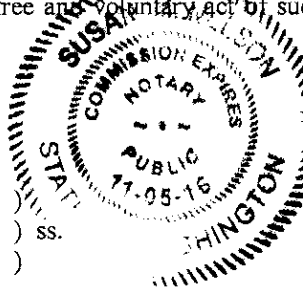
I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 6th 2015, and on oath stated that he was authorized to execute the instrument and acknowledged it as the managing member of Port Townsend Aircraft Services, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public for Washington
My commission expires 10-19-15

STATE OF WASHINGTON)
) ss.
County of Jefferson)

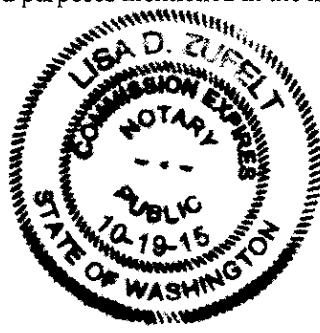
I certify that I know or have satisfactory evidence that Larry Crockett is the person who appeared before me and acknowledged that s/he signed this instrument on March 15, 2015, and on oath stated that s/he was authorized to execute the instrument and acknowledged it as the Exec. Director of the Port of Port Townsend, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Susan M. Nelson
Notary Public - State of Washington
My commission expires 11-05-16

STATE OF WASHINGTON)
) ss.
County of Jefferson)

I certify that I know or have satisfactory evidence that Margaret LeMay is the person who appeared before me and acknowledged that she signed this instrument on March 12, 2015, and on oath stated that she was authorized to execute the instrument and acknowledged it as the VP of Columbia State Bank, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Lisa D. Zufelt
Notary Public - State of Washington
My commission expires 10-19-15

Exhibit A

Legal Description

That portion of the U.S. Military Reservation as shown on the Port of Port Townsend Survey recorded in Volume 14 of Surveys, Pages 91 and 92, records of Jefferson County, Washington described as follows:

Commencing at the Northeast corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, said Northeast corner of said Section 33 lying North 01°44'08" East, a distance of 2,638.11 feet from the East $\frac{1}{4}$ corner of said Section 33:

Thence North 83°47'42" West, a distance of 2,325.24 feet to the True Point of Beginning;

Thence North 71°58'41" West, a distance of 81.89 feet;

Thence North 18°01'19" East, a distance of 7.84 feet;

Thence North 71°58'41" West, a distance of 34.22 feet;

Thence South 18°01'19" West a distance of 42.85 feet;

Thence North 71°58'41" West a distance of 10.18 feet;

Thence South 18°01'19" West, a distance of 16.22 feet;

Thence South 71°58'41" East, a distance of 126.29 feet;

Thence North 18°01'19" East, a distance of 51.23 feet to the True Point of Beginning.

Situate in the County of Jefferson, State of Washington.

590278 PGS:7 ASL

03/27/2015 02:31 PM \$78.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Rose Ann Carroll, Auditor



When recorded return to:

COLUMBIA STATE BANK LOAN OPERATIONS
OPERATION CENTER ANNEX-MS 6100
2228 SOUTH 78TH STREET
TACOMA WA 98409

NO REAL ESTATE
EXCISE TAX REQUIRED
JEFFERSON COUNTY TREASURER

BY:

RE: 80721

THIS DOCUMENT IS BEING RE-RECORDED TO ADD THE LEASE DOCUMENT NUMBER TO THE FRONT PAGE OF THE DOCUMENT

Document Title:

ASSIGNMENT OF LEASE FOR SECURITY PURPOSES AND LANDLORDS CONSENT

Reference Nos:

589878

589877

Grantor:

PORT TOWNSEND AIRCRAFT SERVICES, LLC

Grantee:

COLUMBIA STATE BANK

Legal Description:

PTN SW & SE 28-30-1W & PTN GL2 33-30-1W

Tax Assessor Parcel Nos.:

001 284 006; 001 331 002; 001 284 022; 10 11150

589878 PGS:6 ASL

03/27/2015 03:45 PM \$77.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Rose Ann Carroll, Auditor

When recorded mail to:

Columbia State Bank Loan Operations
Operations Center Annex - MS 6100
2228 South 78th Street
Tacoma, Washington 98409NO REAL ESTATE
EXCISE TAX REQUIRED
JEFFERSON COUNTY TREASURERBY: 

80721

Loan number C-14-10-004930

ASSIGNMENT OF LEASE FOR SECURITY PURPOSES AND LANDLORD'S CONSENT

Grantor	Port Townsend Aircraft Services, LLC	Lender	Columbia State Bank
Grantee	Columbia State Bank		26563 Lindvog Road NE
Abbreviated Legal	PTN SW & SE 28-30-1 W & PTN GL 2 33-30-1 W		Kingston, Washington 98346
	Full legal description on <u>Exhibit A</u> attached hereto		
APN	001 284 006, 001 331 002, 001 284 022, 10 11150		
Borrower		Landlord	
	Hallinan Enterprises, LLC		Port of Port Townsend
	191 Airport Road		375 Hudson Street
	Port Townsend, Washington 98368		PO Box 1180
			Port Townsend, Washington 98368
Grantor	Port Townsend Aircraft Services, LLC		
	191 Airport Road		
	Port Townsend, Washington 98368		

THIS ASSIGNMENT OF LEASE FOR SECURITY PURPOSES AND LANDLORD'S CONSENT ("*Assignment*") is entered into among the landlord ("*Landlord*"), borrower ("*Borrower*"), grantor ("*Grantor*"), and lender ("*Lender*") identified above. Borrower and Lender have entered into, or are about to enter into, a loan agreement whereby Lender will loan funds to Borrower and Lender has acquired or will acquire a security interest in Grantor's leasehold interest in real property and in certain personal property, equipment, and fixtures including without limitation tenant improvements (collectively "*Collateral*"), some or all of which may be affixed or otherwise located on and in the property described as 191 Airport Road, Port Townsend, Washington 98368, consisting of an aircraft hangar and associated parking and apron space ("*Property*" or "*Premises*") as described on Exhibit A attached hereto and incorporated by this reference. To induce Lender to extend one or more loans or other financial accommodations (collectively "*Loan*") to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord, Borrower, and Grantor hereby agree with Lender as follows:

LEASE. Landlord has leased the premises to Grantor pursuant to a lease ("*Lease*") dated on or about June 1, 2005, as amended, a memorandum of which is recorded in the Jefferson County, Washington, land records on March ____, 2015, as document number 589877

GRANTOR'S ASSIGNMENT OF LEASE. Grantor assigns to Lender all of Grantor's rights in the Lease (and all renewals) as partial security for the Loan, subject to Grantor's rights to use the Property and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall end without further action by any of the parties.

LANDLORD'S CONSENT. Landlord consents to the above assignment and agrees that Lender may enjoy the benefits of the Lease upon the cure of any default as set forth below (without assuming any future obligations under the Lease). If Borrower defaults under the Loan or the Lease, Lender may reassign the Lease. Landlord's consent to any such reassignment will not be unreasonably withheld or delayed, and such consent shall be deemed to be granted if an objection to reassignment is not delivered to Lender within thirty days after Landlord is notified of the proposed reassignment. So long as Lender has not entered the Premises for the purpose of operating a business, Lender will have no liability under the Lease including without limitation liability for rent. Whether or not Lender enters into possession of the Premises for any purpose, Grantor will remain fully liable for all obligations of Grantor as lessee under the Lease. While Lender is in possession of the Premises, Lender will cause all payments to be made to Landlord when due under the Lease for the period of time when Lender is in possession of the Premises. If Lender later reassigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord. Landlord also consents to a separate deed of trust in favor of Lender encumbering the leasehold interest under the Lease.

LEASE DEFAULTS. Both Grantor and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower, Grantor, and Landlord. Landlord agrees not to terminate the Lease, despite any default by Grantor, without giving Lender written notice of the default and an opportunity to cure the default within a period of thirty days for a monetary default and sixty days for a non-monetary default.

AGREEMENTS. Landlord and Grantor hereby jointly and severally agree with Lender that, during all such times as Lender is the beneficiary of the security interest in the Collateral described above:

Modification, Termination, and Cancellation. Landlord and Grantor will not consent to any modification, termination, or cancellation of the Lease unless Lender first consents thereto in writing; provided, however, that periodic rent readjustments on the terms and at the intervals specified in the Lease shall not require Lender's prior written consent and Grantor agree to notify Lender within thirty days after any such rent readjustment is implemented.

Notice of Default. Landlord will notify Lender in writing concurrently with any notice given to or by Grantor of any breach or default on the part of Grantor under any of the Lease, and Grantor and Landlord agree that the Lender shall have the right (but not the obligation) to cure any breach or default specified in such notice within the time periods set forth below and Landlord will not declare a default of the Lease, if Lender cures such default within thirty days from and after expiration of the time period provided in the Lease for the cure thereof by Grantor; provided, however, that if such default cannot with diligence be cured by Lender within the thirty-day period, the commencement of action by Lender within the thirty-day period to remedy the same shall be deemed sufficient so long as Lender pursues the cure with diligence.

Reversion. Landlord will notify Lender in writing of any event or claim regarding an event that could cause a reversion of Landlord's interest in the Property to the United States government or to any other entity. Landlord will cooperate with Lender in the event of a claimed reversion in order to permit Lender to take whatever action Lender deems reasonable and necessary to prevent the reversion or to obtain compensation for the value of the Collateral subject to the reversion, all as deemed appropriate by Lender in its sole discretion.

SUBORDINATION OF INTEREST. Landlord agrees that any lien or claim Landlord may now or hereafter have in the Collateral will be subject at all times to Lender's security interest (or other present or future interest) in the Collateral and will be subject to the rights granted by Landlord to Lender in this Assignment.

REPRESENTATIONS AND WARRANTIES. Landlord, Borrower, and Grantor hereby jointly and severally represent and warrant to Lender that:

Lease in Effect. The Lease (a) has been duly executed and accepted by Landlord and Grantor, (b) is in full force and effect, (c) has not been modified or changed, either in writing or orally, except as reflected in the copy of the Lease provided to Lender, and (d) the lease has a maturity date of June 30, 2035, and two ten year extension options thereafter.

No Prior Assignment. The Lease has not been subject to any assignment of any rights of any party, there has not been any assignment of any equitable interests in the Lease to any person or entity, and there are no liens or encumbrances against any rights under the Lease that have been incurred or suffered by Grantor.

No Default. As of the date of this Consent, (a) all conditions and obligations to be performed by either Landlord or Grantor under the Lease, to the date hereof, have been satisfied, (b) there exists no breach, default, or event or condition which, with the giving of notice or the passage of time or both, would constitute a breach or default under the Lease, and (c) there are no existing claims, defenses, or offsets against obligations of either Landlord or Grantor under the Lease, including any against rents due or to become due under the terms of the Lease.

Entire Agreement. The Lease constitutes the entire agreement between Landlord and Grantor with respect to the Lease of the Property.

No Prepaid Rent. No deposits or prepayments of rent have been made in connection with the Lease except as may be described in the Lease provided to Lender.

No Defenses. Grantor has no defense, claim of lien, or offset under the Lease or against the rents payable under the Lease.

No Claims by Grantor. Grantor has no claims to or interest in the Property, legal or equitable, or any contract or option for such an interest, other than as Grantor under the Lease.

ENTRY ONTO PREMISES. Landlord and Grantor grant to Lender the right to enter upon the Property for the purpose of inspecting Collateral, removing items in which Lender has a security interest from the Property, or conducting sales on the Property. If Lender enters onto the Premises and removes the Collateral, Lender agrees with Landlord not to remove any Collateral in such a way that the Premises are damaged without either repairing any such damage or reimbursing Landlord for the cost of repair.

LIMITATIONS. Notwithstanding any contrary provision of this Assignment, Landlord agrees with Lender that if Lender shall succeed to the interest of Grantor under the Lease, Lender shall not be (a) liable for any action or omission of Grantor under the Lease, (b) liable to Landlord under any indemnification provisions set forth in the Lease or for any damages Landlord may suffer as a result of any false representation set forth in the Lease, the breach of any warranty set forth in the Lease, or any act of or failure to act by any party other than Lender, (c) bound by any amendment or modification of any terms of the Lease made without Lender's consent, or (d) bound by any provision in the Lease that obligates Grantor to erect or complete any building or to perform any construction work or to make any improvements to the Premises, unless Lender desires to assume Grantor's rights under the Lease. Nothing in this agreement shall be deemed to waive or limit Landlord's remedies under the Lease or at law including without limitation Landlord's right to terminate the Lease and recover possession of the Premises.

AMENDMENTS. This Assignment constitutes the entire understanding and agreement of the parties as to the matters set forth in this Assignment. No alteration of or amendment to this Assignment shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

NO WAIVER BY LENDER. Lender shall not be deemed to have waived any rights under this Assignment unless the waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Assignment shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Assignment. No prior waiver by Lender, nor any course of dealing between Lender and Landlord, shall constitute a waiver of any of Lender's rights or of any of Landlord's obligations as to any future transactions. Whenever the consent of Lender is required under this Assignment, the granting of consent by Lender in any instance shall not constitute continuing consent to subsequent instances where consent is required and in all cases consent may be granted or withheld in the sole discretion of Lender.

SEVERABILITY. If a court of competent jurisdiction finds any provision of this Assignment to be illegal, invalid, or unenforceable as to any circumstances, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid, and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Assignment. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Assignment shall not affect the legality, validity, or enforceability of any other provision of this Assignment.

MISCELLANEOUS PROVISIONS. This Consent shall extend to and bind the respective heirs, personal representatives, successors, and assigns of the parties to this Consent. The covenants of Grantor and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Assignment shall apply. Lender need not accept this Assignment in writing or otherwise to make it effective. Lender need not accept this Assignment in writing or otherwise to make it effective. This Consent shall be governed by and construed in accordance with the laws of Washington. Any agent or other person executing this Consent on behalf of Landlord, Borrower, or Grantor represents and warrants to Lender that he or she has full power and authority to execute this Consent. Lender shall not be deemed to have waived any rights under this Assignment unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any collateral for the Loan, including without limitation extending, renewing, rearranging, or accelerating any of the indebtedness. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. This instrument supersedes a prior Assignment of Lease for Security Purposes dated on or about April 21, 2008, in favor of Lender's predecessor in interest.

LANDLORD, BORROWER, AND GRANTOR ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS ASSIGNMENT AND EACH AGREES TO ITS TERMS. THIS CONSENT IS DATED MARCH ____, 2015.

Borrower

Hallinan Enterprises, LLC

By Bartley J. Hallinan
Bartley J. Hallinan, Managing Member

Landlord

Port of Port Townsend, a Washington municipal corporation

By [Signature]
Title Executive Director

Grantor

Port Townsend Aircraft Services, LLC

By Bartley J. Hallinan
Bartley J. Hallinan, Managing Member

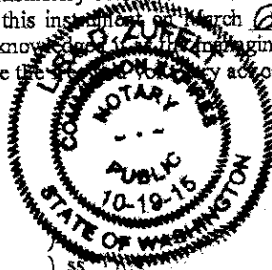
Acknowledged by Lender

Columbia State Bank

By Margaret A. LeMay
Margaret LeMay, Vice President

STATE OF WASHINGTON)
) ss.
County of Jefferson)

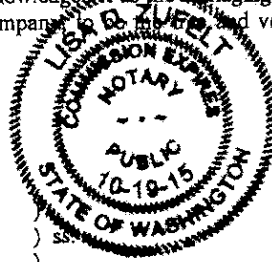
I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 6, 2015, and on oath stated that he was authorized to execute the instrument and acknowledged as the managing member of Hallinan Enterprises, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public - State of Washington
My commission expires 10-19-15

STATE OF WASHINGTON)
) ss.
County of Jefferson)

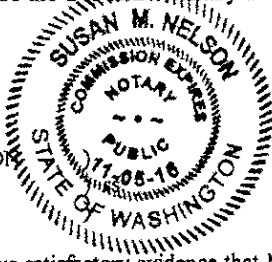
I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 6, 2015, and on oath stated that he was authorized to execute the instrument and acknowledged as the managing member of Port Townsend Aircraft Services, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public for Washington
My commission expires 10-19-15

STATE OF WASHINGTON)
) ss.
County of Jefferson)

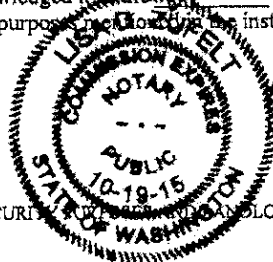
I certify that I know or have satisfactory evidence that Larry Crockett is the person who appeared before me and acknowledged that s/he signed this instrument on March 5, 2015, and on oath stated that s/he was authorized to execute the instrument and acknowledged it as the Executive Director of the Port of Port Townsend, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public - State of Washington
My commission expires 11-05-16

STATE OF WASHINGTON)
) ss.
County of Jefferson)

I certify that I know or have satisfactory evidence that Margaret LeMay is the person who appeared before me and acknowledged that she signed this instrument on March 6, 2015, and on oath stated that he was authorized to execute the instrument and acknowledged it as the branch manager of Columbia State Bank, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public - State of Washington
My commission expires 10-19-15

Exhibit A

Legal Description

That portion of the U.S. Military Reservation as shown on the Port of Port Townsend Survey recorded in Volume 14 of Surveys, Pages 91 and 92, records of Jefferson County, Washington described as follows:

Commencing at the Northeast corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, said Northeast corner of said Section 33 lying North 01°44'08" East, a distance of 2,638.11 feet from the East ¼ corner of said Section 33:

Thence North 83°47'42" West, a distance of 2,325.24 feet to the True Point of Beginning;

Thence North 71°58'41" West, a distance of 81.89 feet;

Thence North 18°01'19" East, a distance of 7.84 feet;

Thence North 71°58'41" West, a distance of 34.22 feet;

Thence South 18°01'19" West a distance of 42.85 feet;

Thence North 71°58'41" West a distance of 10.18 feet;

Thence South 18°01'19" West, a distance of 16.22 feet;

Thence South 71°58'41" East, a distance of 126.29 feet;

Thence North 18°01'19" East, a distance of 51.23 feet to the True Point of Beginning.

Situate in the County of Jefferson, State of Washington.

6 - EXHIBIT A - ASSIGNMENT OF LEASE FOR SECURITY PURPOSES AND LANDLORD'S CONSENT

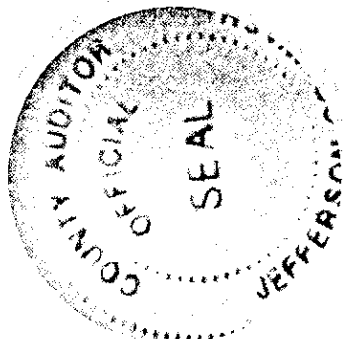
P:\DOCS\COLBANK\0605\FIDOC\JL7502\F02.DOC

© 2015 FARLEIGH WADA WITT

I, ROSE ANN CARROLL, Auditor of Jefferson County, Washington, do hereby certify that this Instrument, is a full, true and correct copy of the record on file in my office, WITNESS my hand and official seal this 27th day of March, 2015

ROSE ANN CARROLL

By: *Rosanne Carroll*
Deputy
Port Townsend, Washington



589877 PGS:3 LEASE

03/09/2015 03:45 PM \$74.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Rose Ann Carroll, Auditor



When recorded mail to:

Columbia State Bank Loan Operations
Operations Center Annex - MS 6100
2228 South 78th Street
Tacoma, Washington 98409

NO REAL ESTATE
CYCLE TAX REQUIRED
JEFFERSON COUNTY TREASURER

BY:

80721

Loan number C-14-10-004930

MEMORANDUM OF LAND LEASE

Grantor Port of Port Townsend, a Washington municipal corporation

Grantee Port Townsend Aircraft Services, LLC

Abbreviated Legal PTN SW & SE 28-30-1 W & PTN GL 2 33-30-1 W
Full legal description on Exhibit A attached hereto

APN 001 284 006, 001 331 002, 001 284 022, 10 11150

Lessee

Port Townsend Aircraft Services, LLC
191 Airport Road
Port Townsend, Washington 98368

Landlord

Port of Port Townsend
375 Hudson Street
PO Box 1180
Port Townsend, Washington 98368

Pursuant to a Lease dated June 1, 2005, Landlord leased to Lessee real property in Jefferson County, Washington, and legally described as set forth on Exhibit A attached hereto and incorporated by this reference. Subject to the terms and conditions provided in the Lease, the Lease has an original term through June 30, 2035, with two ten-year extension terms. This memorandum is executed as of March 5, 2015.

[signatures on next page]

Landlord

Lessee

Port of Port Townsend, a Washington municipal corporation

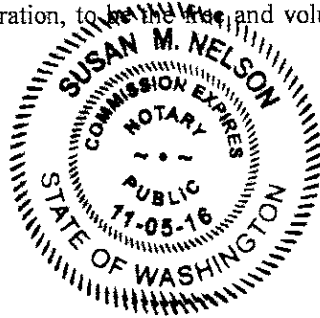
Port Townsend Aircraft Services, LLC

By [Signature]
Title Executive Director

By [Signature]
Bartley J. Hallinan, Managing Member

STATE OF WASHINGTON)
) ss.
County of Jefferson)

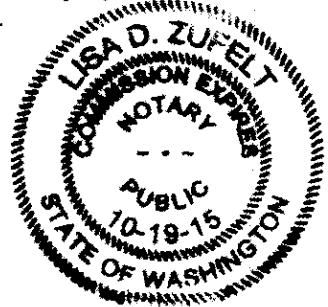
I certify that I know or have satisfactory evidence that Larry Crockett is the person who appeared before me and acknowledged that s/he signed this instrument on March 5, 2015, and on oath stated that s/he was authorized to execute the instrument and acknowledged it as the Exec Director of the Port of Port Townsend, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public for Washington
My commission expires 11-05-16

STATE OF WASHINGTON)
) ss.
County of Jefferson)

I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 6, 2015, and on oath stated that he was authorized to execute the instrument and acknowledged it as the managing member of Port Townsend Aircraft Services, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



[Signature]
Notary Public for Washington
My commission expires 10-19-15

Exhibit A

Legal Description

That portion of the U.S. Military Reservation as shown on the Port of Port Townsend Survey recorded in Volume 14 of Surveys, Pages 91 and 92, records of Jefferson County, Washington described as follows:

Commencing at the Northeast corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, said Northeast corner of said Section 33 lying North 01°44'08" East, a distance of 2,638.11 feet from the East $\frac{1}{4}$ corner of said Section 33:

Thence North 83°47'42" West, a distance of 2,325.24 feet to the True Point of Beginning;

Thence North 71°58'41" West, a distance of 81.89 feet;

Thence North 18°01'19" East, a distance of 7.84 feet;

Thence North 71°58'41" West, a distance of 34.22 feet;

Thence South 18°01'19" West a distance of 42.85 feet;

Thence North 71°58'41" West a distance of 10.18 feet;

Thence South 18°01'19" West, a distance of 16.22 feet;

Thence South 71°58'41" East, a distance of 126.29 feet;

Thence North 18°01'19" East, a distance of 51.23 feet to the True Point of Beginning.

Situate in the County of Jefferson, State of Washington.

589879 PGS: 24 MULTI

03/09/2015 03:45 PM \$239.00 JEFFERSON TITLE CO INC
Jefferson County WA Auditor's Office - Rose Ann Carroll, Auditor

When recorded mail to:

Columbia State Bank Loan Operations
Operations Center Annex - MS 6100
2228 South 78th Street
Tacoma, Washington 98409

NO REAL ESTATE
EXCISE TAX REQUIRED
JEFFERSON COUNTY TREASURER

BY: *[Signature]*

80721

Loan number #9693001068

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

Grantor Port Townsend Aircraft Services, LLC
Grantee #1 (Trustee) Jefferson Title Company
Grantee #2 (Beneficiary) Columbia State Bank
Abbreviated Legal PTN SW & SE 28-30-1 W & PTN GL 2 33-30-1 W
Full legal description on Exhibit A attached hereto
APN 001 284 006, 001 331 002, 001 284 022, 10 11150

Borrower
Hallinan Enterprises, LLC
191 Airport Road
Port Townsend, Washington 98368

Lender/Beneficiary
Columbia State Bank
26563 Lindvog Road NE
Kingston, Washington 98346

Grantor
Port Townsend Aircraft Services, LLC
191 Airport Road
Port Townsend, Washington 98368

Trustee
Jefferson Title Company
2205 Washington Street
PO Box 256
Port Townsend, Washington 98368

THIS LEASEHOLD DEED OF TRUST, ASSIGNMENT OF LEASES AND RENT, SECURITY AGREEMENT, AND FIXTURE FILING ("*Deed of Trust*"), is made on March 1, 2015, by the grantor identified above ("*Grantor*"), for the benefit of the borrower identified above ("*Borrower*"), to the trustee identified above and its successors in trust and assigns ("*Trustee*") for the benefit of Columbia State Bank ("*Beneficiary*").

1. **Granting Clause.** For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to secure the Secured Obligations (as defined in Section 4 below), including

3.11 Merger. It is understood and agreed that (a) the fact the Leases or the leasehold estates created thereby may be held, directly or indirectly, by or for the account of any person or entity that shall have an interest in the fee estate of the Property or (b) any other event, shall not merge any Leases or the leasehold estates created thereby with the fee estate in the Property as long as any of the indebtedness secured hereby shall remain unpaid, unless Beneficiary shall consent in writing to such merger.

3.12 Grantor Lease. Grantor will pay all rents and will strictly observe and perform on a timely basis all other terms, covenants and conditions of the Grantor Lease and any other Lease affecting the Property to the extent Grantor is responsible therefor. Grantor will indemnify and hold harmless Lender against all actions, proceedings, costs including attorney fees, demands, and damages whatsoever that may be incurred by reason of Grantor's failure to pay rents or strictly observe or perform under the Grantor Lease. Grantor further agrees that except with Lender's prior written consent, it will not (a) surrender, terminate, or cancel the Grantor Lease, (b) modify, change, supplement, alter or amend the Grantor Lease, either orally or in writing, (c) subordinate the Grantor Lease or its interest in the Property to any mortgage, deed of trust, or other lien on the interest of the lessor under the Grantor Lease, or (d) except as otherwise provided herein, reject or assume the Grantor Lease or assign its interest in the Grantor Lease and the Property pursuant to Section 365 of the United States Bankruptcy Code, 11 USC 101 et seq., as amended from time to time. No estate in the Property, whether fee title, the leasehold estate, or any subleasehold estate, will merge without Lender's express written consent; rather, these estates will remain separate and distinct, even if there is a union of these estates in the landlord, Grantor, or a third party who purchases or otherwise acquires the estates. Grantor further agrees that, if Grantor acquires all or a portion of the fee simple title or any other leasehold or subleasehold title to the Property, that title will immediately become subject to the terms of this Deed of Trust, and Grantor will execute, deliver, and record all documents necessary or appropriate to assure that such title is secured by this Deed of Trust; provided, however, that Grantor shall not exercise any option or right of first refusal to purchase the Property without the prior written consent of Lender, which will not be unreasonably withheld. Grantor will promptly notify Lender in writing if (a) Grantor is in default in the performance or observance of any of the terms, covenants or conditions which Grantor is to perform or observe under the Grantor Lease, (b) any event occurs that would constitute a default under the Grantor Lease, (c) any notice of default is given to Grantor by the landlord under the Grantor Lease, (d) pursuant to the Grantor Lease, any proceeds received for the Property are deposited with someone other than Lender, whether received from any insurance on the Property or from the taking of any or all of the Property by eminent domain; and (e) any arbitration or appraisal proceedings are requested or instituted pursuant to the Grantor Lease. Upon receipt by Lender of any written notice of default by Grantor under the Grantor Lease, Lender may, at Lender's option, cure such default, even though the existence of such default or the nature of the default be questioned or denied by Grantor or by any party on behalf of Grantor. Grantor expressly hereby grants to Lender the absolute and immediate right to enter upon the Property to such extent and as often as Lender in its sole discretion deems necessary or desirable in order to prevent or cure any such default by Grantor.

4. Obligations Secured. This Deed of Trust is given for the purpose of securing (collectively "Secured Obligations"):

4.1 Performance and Payment. The performance of the obligations and payment of all amounts contained herein and in that certain Loan Agreement executed and delivered by Grantor concurrently herewith ("Loan Agreement"), and any extensions, modifications, supplements and consolidations thereof, and the payment of \$265,000 with interest thereon, according to the terms of a promissory note of even date herewith made by Grantor, payable to Beneficiary or order, and any and all extensions, renewals, modifications, or replacements thereof, whether the same be in greater or lesser amounts ("Note"). The maturity date of the Loan Agreement is March 1, 2025;

4.2 Future Advances. The repayment of any and all sums disbursed or advanced or expenditures made by Beneficiary subsequent to the execution of this Deed of Trust (a) for the maintenance or preservation of the Property (including without limitation payment of taxes, special assessments, utilities, and insurance on the Property) and (b) pursuant to any provision of this Deed of Trust and/or the Loan Agreement

Documents may not be amended or modified except by means of a written document executed by the party sought to be charged with such amendment or modification.

21. Lender's Right to Force-Place Insurance Coverage. The following notice supplements but does not supersede the provisions of Section 7.2.

WARNING

UNLESS GRANTOR PROVIDES LENDER WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY THE LOAN AGREEMENT, LENDER MAY PURCHASE INSURANCE AT BENEFICIARY'S EXPENSE TO PROTECT LENDER'S INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT GRANTOR'S INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE LENDER PURCHASES MAY NOT PAY ANY CLAIM GRANTOR MAKES OR ANY CLAIM MADE AGAINST GRANTOR. GRANTOR MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT GRANTOR HAS OBTAINED PROPERTY COVERAGE ELSEWHERE.

GRANTOR IS RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY LENDER. 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 THE PRIOR COVERAGE LAPSED OR THE DATE GRANTOR FAILED TO PROVIDE PROOF OF COVERAGE.

THE COVERAGE LENDER PURCHASES MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE GRANTOR 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.

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

Borrower

Grantor

Hallinan Enterprises, LLC

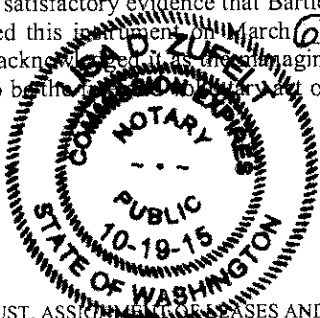
Port Townsend Aircraft Services, LLC

By Bartley J. Hallinan
Bartley J. Hallinan, Managing Member

By Bartley J. Hallinan
Bartley J. Hallinan, Managing Member

STATE OF WASHINGTON)
) ss.
County of Jefferson)

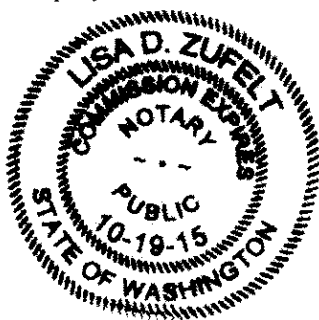
I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 9, 2015, and on oath stated that he was authorized to execute the instrument and acknowledged that he is the managing member of Hallinan Enterprises, LLC, a Washington limited liability company, to be the [redacted] of such party for the uses and purposes mentioned in the instrument.




[Signature]
Notary Public for Washington
My commission expires 10 19 15

STATE OF WASHINGTON)
) ss.
County of Jefferson)

I certify that I know or have satisfactory evidence that Bartley J. Hallinan is the person who appeared before me and acknowledged that he signed this instrument on March 24, 2015, and on oath stated that he was authorized to execute the instrument and acknowledged it as the managing member of Port Townsend Aircraft Services, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.





Notary Public for Washington
My commission expires 10-19-15

Exhibit A

Legal Description

That portion of the U.S. Military Reservation as shown on the Port of Port Townsend Survey recorded in Volume 14 of Surveys, Pages 91 and 92, records of Jefferson County, Washington described as follows:

Commencing at the Northeast corner of Section 33, Township 30 North, Range 1 West, W.M., Jefferson County, Washington, said Northeast corner of said Section 33 lying North $01^{\circ}44'08''$ East, a distance of 2,638.11 feet from the East $\frac{1}{4}$ corner of said Section 33:

Thence North $83^{\circ}47'42''$ West, a distance of 2,325.24 feet to the True Point of Beginning;

Thence North $71^{\circ}58'41''$ West, a distance of 81.89 feet;

Thence North $18^{\circ}01'19''$ East, a distance of 7.84 feet;

Thence North $71^{\circ}58'41''$ West, a distance of 34.22 feet;

Thence South $18^{\circ}01'19''$ West a distance of 42.85 feet;

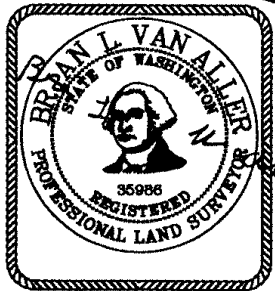
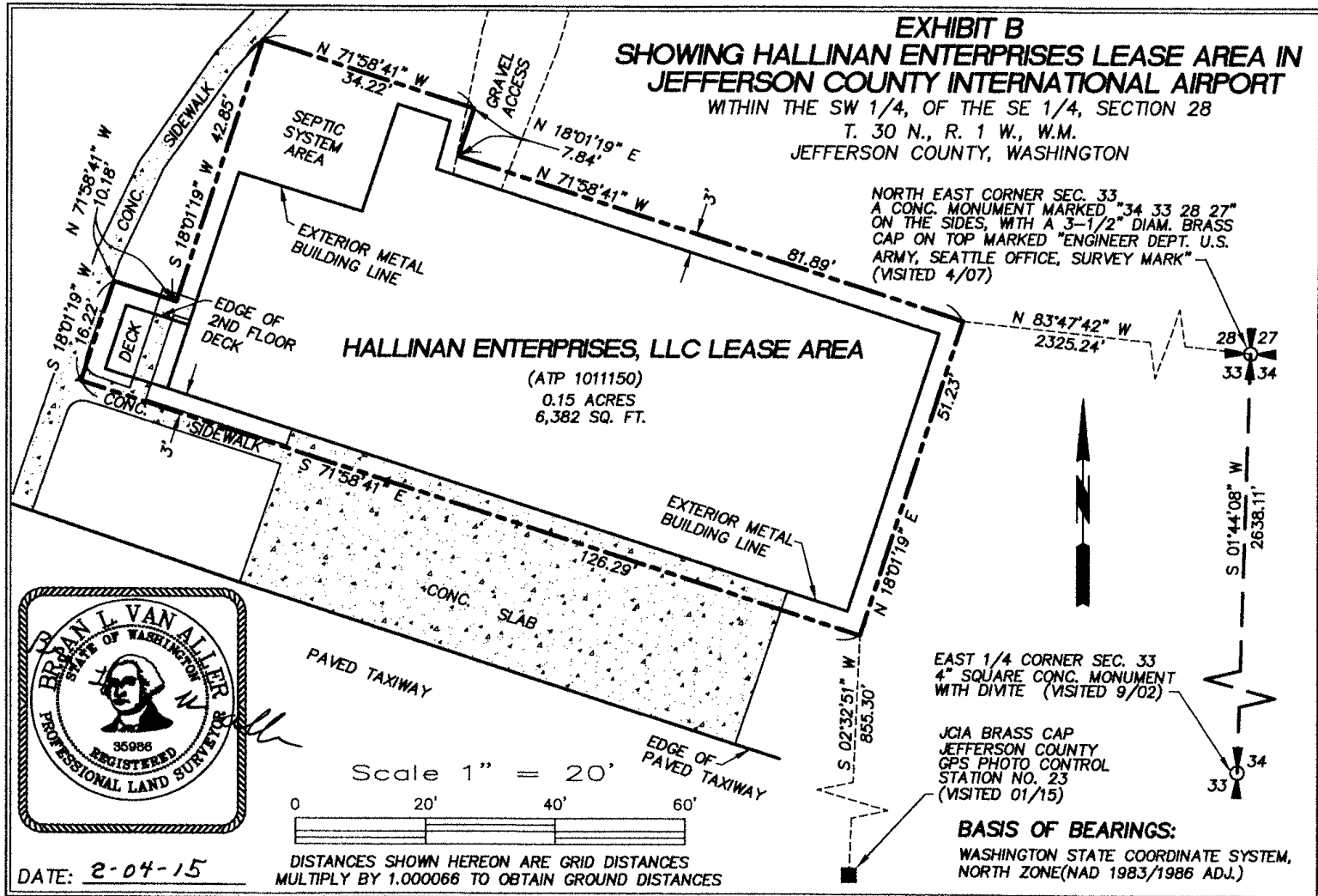
Thence North $71^{\circ}58'41''$ West a distance of 10.18 feet;

Thence South $18^{\circ}01'19''$ West, a distance of 16.22 feet;

Thence South $71^{\circ}58'41''$ East, a distance of 126.29 feet;

Thence North $18^{\circ}01'19''$ East, a distance of 51.23 feet to the True Point of Beginning.

Situate in the County of Jefferson, State of Washington.



VAN ALLER SURVEYING	
TITLE: EXHIBIT MAP	SHOWING HALLINAN ENTERPRISES LEASE AREA
CLIENT:	HALLINAN ENTERPRISES, LLC 191 AIRPORT RD. PORT TOWNSEND, WA. 98368
P.O. BOX 757 * CARLSBORG, WA. * 98324	PHONE: (360) 683-3438 * FAX: (360) 683-3241
JOB #	00672
SHEET:	1 of 1