

**When Recorded Return To:**

The Washington State Department of Commerce  
Local Government Division  
1011 Plum Street, SE  
Post Office Box 42525  
Olympia, Washington 98504-2525  
**Local Community Projects**  
Attention: Real Estate Development and Services

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**LEASEHOLD DEED OF TRUST**

Lessee (Grantor): The Cultural Space Agency  
Lessor: City of Seattle  
Beneficiary (Beneficiary): Department of Commerce, Community Capital Facilities  
Grantee (Trustee): Ticor Title Company  
Legal Description (abbreviated): PTN SW QTR OF NW QTR OF SEC 5-24N-4E  
Assessor's Tax Parcel ID#: 524780-1160-09  
Grant Number: **24-96647-136**

THIS LEASEHOLD DEED OF TRUST (hereinafter called "Deed of Trust") is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, between The Cultural Space Agency, a Washington Nonprofit Corporation, whose mailing address is 303 S Jackson St. Level 2, Seattle, WA 98104, as grantor under this Deed of Trust and lessee under the lease described below ("Lessee"); Ticor Title Company, whose mailing address is 2825 Colby Ave, Ste. 300, Everett, WA 98201, as Trustee ("Trustee"); and the Washington State Department of Commerce, Community Capital Facilities Unit or its successor agency, as Beneficiary ("Beneficiary"), whose address is 1011 Plum Street SE, P.O. Box 42525, Olympia, Washington 98504-2525.

1. Grant. Lessee hereby irrevocably grants, bargains, conveys, and assigns to Trustee in trust, with right of entry and possession as provided for herein, for the benefit of Beneficiary, all of Lessee's interest in the following described property in King County, Washington:

That certain leasehold estate (hereinafter called "leasehold estate"), together with and including all right, title and interest of Lessee therein, which said leasehold estate embraces and covers a portion of the real property hereinafter described, situated, lying in the City of Seattle, County of King, State of Washington, and is more particularly described as: The leasehold estate created by that certain Lease (hereinafter called "Lease") dated November 30, 2023, executed by and between City of Seattle, a Municipal Corporation, as Lessor ("Lessor"), and The Cultural Space Agency, a Washington Nonprofit Corporation, as Lessee, pursuant to which a memorandum of lease was recorded on \_\_\_\_\_, 20\_\_ under instrument number \_\_\_\_\_, and covers the following described property:

**A LEASEHOLD ESTATE FOR LEVEL 2, LOCATED UPON THE FOLLOWING  
DESCRIBED REAL PROPERTY:**

**A TRACT OF LAND IN THE CITY OF SEATTLE, COUNTY OF KING, STATE OF WASHINGTON, LYING IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 5, TOWNSHIP 24 NORTH, RANGE 4 EAST, W.M., DESCRIBED AS FOLLOWS:**

**BEGINNING AT THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE NORTH LINE OF BLOCK 13, D.S. MAYNARD'S PLAT, CITY OF SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 1 OF PLATS, PAGE 23, IN KING COUNTY, WASHINGTON, WITH THE CENTERLINE OF VACATED 3RD AVENUE SOUTH;**

**THENCE SOUTH 88°45'17" EAST, 5.00 FEET;**

**THENCE SOUTH 01°19'00" WEST, 10.00 FEET;**

**THENCE SOUTH 88°46'43" EAST, 151.09 FEET;**

**THENCE SOUTH 02°14'23" WEST, 27.00 FEET TO THE NORTHEAST CORNER OF THE KING STREET STATION BUILDING, AT GROUND LEVEL;**

**THENCE SOUTH 02°11'41" WEST, ALONG THE EAST LINE OF SAID STATION BUILDING, AT GROUND LEVEL, AND ITS SOUTHERLY PROLONGATION, 332 FEET;**

**THENCE NORTH 87°48'19" WEST, 181.74 FEET;**

**THENCE NORTH 01°12'28" EAST, 26.15 FEET;**

**THENCE NORTH 88°41'00" WEST, 1.80 FEET;**

**THENCE NORTH 01°19'00" EAST, 100.00 FEET;**

**THENCE SOUTH 88°41'00" EAST, 33.00 FEET;**

**THENCE NORTH 01°19'00" EAST, 239.77 FEET TO THE POINT OF BEGINNING**

TOGETHER WITH all right, title and interest of Lessee in and to any and all options to purchase, options of first refusal and renewal options with respect to the Lease or said property or any portion thereof or any interest therein and in and to any greater estate in said property (including the fee simple estate) as may be subsequently acquired by or released to Lessee.

TOGETHER WITH all interest, estate, or other claims, both in law or equity, which Lessee now has or may hereafter acquire in said property.

1.1. The Lease shall not be materially modified or changed in any way without the written consent of Beneficiary. Amendments to the Lease extending the term, renewing the Lease, increasing or decreasing the amount of space leased under the Lease by up to 100 square feet, or allowing improvements to the space shall not be considered material modifications requiring written consent of the Beneficiary.

1.2. Beneficiary shall be immediately furnished with all Notices of Default served by Lessor of the Lease on Lessee.

1.3. In the event Lessee shall fail to make payment due on the Lease or to perform any term or covenant as provided therein beyond any applicable notice and cure period, in addition to any such default constituting a default under this Deed of Trust, Beneficiary may, at its option, make the defaulted payments or perform the term or covenant and add the same to the amount due under this Deed of Trust without waiving any of its rights under this Deed of Trust and the Note which it secures.

1.4. If both the Lessor's and the Lessee's estate under the Lease shall at any time become vested in one owner, this Deed of Trust and the lien created hereby shall not be destroyed or terminated by the application of the doctrine of merger, and in such event, Beneficiary shall continue to have and to enjoy all of the rights, title, interest and privileges of Beneficiary as to the separate estates. In addition, foreclosure of said property shall not destroy or terminate

the Lease by application of the doctrine of merger or as a matter of law or as a result of foreclosure unless Beneficiary or any purchaser at foreclosure sale shall so elect. In the event that Lessee shall, at any time prior to the payment in full of all indebtedness secured by this Deed of Trust, acquire fee simple title to said property, such fee simple title shall not merge with the leasehold estate encumbered by this Deed of Trust, but such fee simple title shall immediately, without further action on the part of the Lessee, become subject to the lien hereof. In the event of such acquisition by Lessee, Lessee agrees to execute and deliver to Beneficiary such further instruments, conveyances and assurances as Beneficiary may reasonably require in order to further confirm and assure that the fee simple title so acquired by Grantor is subject to the terms, provisions and lien of this Deed of trust. The provisions of this paragraph shall not apply in the event Beneficiary acquires the fee of said property, except if Beneficiary shall so elect. Said property is not used for agricultural or farming purposes.

2. Obligations Secured. This deed is given for the purpose of securing payment in the amount of Four Hundred Eighty Five Thousand and 00/100 dollars (**\$485,000.00**) payable by the Lessee to the Beneficiary evidenced by a Promissory Note between and the Washington State Department of Commerce, of even date herewith, and Contract Number **24-96647-136** between Lessee and Washington State Department of Commerce, as now or hereafter amended ("Contract"), and securing performance of each term and condition of said Contract and Promissory Note, together with all future advances.

3. Protection of Security. To protect the security of this Deed of Trust, Lessee covenants and agrees:

3.1. To keep the leased property in good condition and repair; to permit no waste thereof; to diligently pursue or complete any building, structure or improvement thereon which may be damaged or destroyed to the extent required by the Lease or Contract; and to comply with all laws, ordinances, conditions and restrictions affecting the property.

3.2. To keep its leasehold interest in the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.

3.3. To maintain a policy of property insurance for the leased property covering its supplies, inventory, personal property, equipment, fixtures as well as all improvements, additions, and modifications to or in the leased property, in an amount not less than the replacement cost thereof. Except as otherwise provided herein and in the Contract or in the Lease, the amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order, as the Beneficiary shall determine, subject to the rights of any senior lien-holder.

3.4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

3.5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligations secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

3.6. Should Lessee fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against its leasehold interest in the property when the same become due and payable, Beneficiary may, but shall not be obligated, to pay the same, and the amount so paid shall be added to and become a part of the debt secured by this Deed of Trust.

4. General Conditions. The parties hereto agree that:

4.1 In the event of any fire or other casualty to the leased property or eminent domain proceedings resulting in condemnation of the leased property or any part thereof, and with Beneficiary's approval which shall not be unreasonably withheld, Lessee shall either (a) repair the premises subject to the leasehold estate and continue the tenancy if permitted under the lease, or (b) use all available insurance or condemnation proceeds to continue providing the public benefit contemplated under the Contract in a different location. In such an instance, insurance and/or condemnation proceeds must be used in a manner that provides adequate security to the Beneficiary for repayment of the remaining balance of the loan and performance of Lessee's obligations under the Contract.

4.2 By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

4.3 The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto on written request of the Lessee and the Beneficiary, or upon satisfaction of the obligations secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4.4 Default Remedies. Upon default by Lessee of its obligations secured hereby without timely cure and after written notice of thirty (30) days or such longer period of time as is necessary to effectuate such cure so long as Lessee commences such cure within the thirty (30) day period, all sums secured hereby shall immediately become due and payable. In such event and upon written notice of Beneficiary, Lessee's leasehold interest in the property may be automatically assigned to Trustee for the benefit of Beneficiary and Lessee agrees that Trustee may take any action on behalf of the Lessee for the benefit of the Beneficiary (with right of entry onto the leased premises) to keep, observe, or perform an such terms, covenants, provisions, or agreements and to enter into the leased premises (after reasonable advance notice to Lessee) and take all such action thereon as may be reasonably necessary therefore, with all rights to use, assign, or sublet the leasehold premises allowed under the terms of the then-current Lease.

4.5 Beneficiary may at any time appoint or discharge the Trustee.

4.6 This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto and their successors and assigns. The terms "Lessee," "Lessor," "Trustee," and "Beneficiary" include their successors and assigns.

5. Acceleration. Except as otherwise provided for in the Contract, if without Beneficiary's prior written consent, all or any part of Lessee's interest in the property is assigned, conveyed, transferred, encumbered, or the leased property is not used as required by the Contract between Beneficiary and Lessee, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if exercise is prohibited by federal law as of the date of this Deed of Trust. If Beneficiary exercises this option, Beneficiary shall give Lessee notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is delivered or mailed within which Lessee must pay all sums secured by this Deed of Trust. If Lessee fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Lessee.

**[SIGNATURE AND NOTARY PAGES FOLLOW]**

IN WITNESS WHEREOF, has executed this Deed of Trust on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

The Cultural Space Agency,  
a Washington Nonprofit Corporation

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF WASHINGTON        )  
  ) ss.  
COUNTY OF                    )

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me, and said person acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of The Cultural Space Agency, a Washington Nonprofit Corporation, to be the free and voluntary act and deed of such party for the uses and purposes mentioned in the instrument.

DATED: \_\_\_\_\_

(Seal or Stamp)

\_\_\_\_\_  
(Signature of Notary)

\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)

NOTARY PUBLIC in and for the state of Washington

My Commission Expires: \_\_\_\_\_

**CONSENTED TO BY LESSOR:**

**City of Seattle,**  
a Washington Municipal Corporation

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF WASHINGTON       )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

I certify that I know or have satisfactory evidence that \_\_\_\_\_ is the person who appeared before me, and said person acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the \_\_\_\_\_ of City of Seattle, a Washington Nonprofit Corporation, to be the free and voluntary act and deed of such party for the uses and purposes mentioned in the instrument.

DATED: \_\_\_\_\_

(Seal or Stamp)

\_\_\_\_\_  
(Signature of Notary)

\_\_\_\_\_  
(Legibly Print or Stamp Name of Notary)

NOTARY PUBLIC in and for the state of Washington

My Commission Expires: \_\_\_\_\_

**REQUEST FOR FULL RECONVEYANCE**

**TO BE USED ONLY WHEN ALL OBLIGATIONS HAVE BEEN PAID AND ALL  
DUTIES PERFORMED UNDER THIS DEED OF TRUST.**

TO: TRUSTEE:

The undersigned as the party entitled to the performance, benefits, duties, and payments under Contract **24-96647-136** between Grantor and Beneficiary, which is secured by this Deed of Trust and other legal documents.

The obligations thus secured have been fully paid, duties performed and satisfied, and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, including Contingent Interest, to cancel evidence of indebtedness secured by said Deed of Trust delivered to you with said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you hereunder.

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title