

WHEN RECORDED RETURN TO:

Symetra Life Insurance Company
Mortgage Loan Department
PO Box 84066
Seattle, WA 98124-8466
Loan No. SPLM1843



200812040054

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

95485-2

GUARDIAN NORTHWEST TITLE CO.

GRANTOR (GRANTOR): STEIN FAMILY LIMITED PARTNERSHIP, a Washington limited partnership

GRANTEE (TRUSTEE): FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation

GRANTEE (BENEFICIARY): Symetra Life Insurance Company, a Washington corporation

LEGAL DESCRIPTION (ABBREVIATED): Ptn. South 1/2 Block 8, "West Addition to the Town of Sedro Woolley, Skagit County, Wash.", **ADDITIONAL LEGAL(S) ON PAGE 16.**

ASSESSOR'S TAX PARCEL NO. 4176-008-016-0005 (P77395); 4176-008-016-0104 (P77396); 4176-008-020-0009 (P77397); 4176-008-022-0007 (P77398); 4176-008-024-0005 (P77399)

This Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing ("**Deed of Trust**") made this 1st day of December, 2008, by STEIN FAMILY LIMITED PARTNERSHIP, a Washington limited partnership ("**Grantor**"), whose address is 17065 10th Avenue NW, Shoreline, WA 98177 to FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation ("**Trustee**"), whose address is National Commercial Services, 818 Stewart Street, Suite 800, Seattle, WA 98101, for the benefit of **Symetra Life Insurance Company**, a Washington corporation ("**Beneficiary**"), whose address is PO Box 84066, Seattle, WA 98124-8466, Attention: Mortgage Loan Department.

WITNESSETH: Grantor hereby irrevocably grants, bargains, sells, conveys and warrants to the Trustee in trust, with power of sale all rights, title and interest of Grantor in, to and derived from that certain real property and related rights, now owned or hereafter acquired, situated in the County of Skagit, State of Washington, more particularly described as follows:

SEE ATTACHED EXHIBIT "A" WHICH IS INCORPORATED HERE BY THIS REFERENCE FOR A DESCRIPTION OF THE REAL PROPERTY (the "**Real Property**").

which uses the address of: 320 Harrison Street, Sedro-Woolley, WA 98284
(Street) (City) (State and Zip Code)

(if there is any conflict between the legal description and the street address, the legal description shall prevail)

TOGETHER WITH all improvements thereon and issues, profits, income, tenements, hereditaments, privileges, and appurtenances thereunto belonging, now owned or hereafter acquired, however evidenced, used or enjoyed with the Real Property or belonging to the same, and all other estate, property and rights hereinafter described, including without limitation, (a) all land lying in streets and roads adjoining the Real Property, and all access rights, rights of way and easements pertaining to the Real Property; (b) all the

lands, privileges, reversions, remainders, and water rights and stock, oil and gas rights, royalties, minerals and mineral rights in any way pertaining to the Real Property; (c) all buildings, structures, fixtures and property now or hereafter attached to or used in the operation of the Real Property which shall be deemed part of the realty and not severable wholly or in part without material injury to the Real Property; (d) all rents, issues and profits of the Real Property (hereafter collectively referred to as the "**Rents**"), all existing and future leases of the Real Property (including extensions, renewals and subleases), all agreements for use and occupancy of the Real Property (all such leases and agreements whether written or oral, are hereafter referred to as the "**Leases**"), all proceeds derived from the sale, conveyance or transfer of the Real Property or any part thereof, all proceeds payable as a result of a tenant's exercise of an option to purchase the Real Property, all proceeds derived from the termination or rejection of any Lease in a bankruptcy or other insolvency proceeding, and all proceeds from any rights and claims of any kind which Grantor may have against any tenant under the Leases or any occupants of the Real Property (hereafter referred to as the "**Proceeds**"); (e) all compensation, awards, damages, causes of action and proceeds (including insurance proceeds and any interest on any of the foregoing) arising out of or relating to a taking or damaging of the Real Property by reason of any public or private improvement, condemnation proceeding, fire, earthquake or other casualty, injury or decrease in the value of the Real Property; and (f) all additions, accessions, replacements, substitutions, and proceeds of the property and rights described in this section (all of the foregoing, together with the Real Property, is hereinafter collectively referred to as the "**Property**").

FOR THE PURPOSE OF SECURING:

(1) payment of the indebtedness (the "**Loan**") in the principal amount of TWO MILLION NINE HUNDRED THIRTY THOUSAND AND NO/100 U.S. DOLLARS (\$2,930,000.00) with interest thereon evidenced by that certain promissory note of even date herewith (the "**Note**"), and any extensions, renewals or modifications thereof, executed by Grantor, which has been delivered to, and is payable to the order of, Beneficiary; (2) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms hereof, together with interest as herein provided; (3) the performance of each agreement of Grantor herein and in the Note contained; and (4) the payment of any future advances made to or for the benefit of Grantor, its successors or assigns by Beneficiary, when evidenced by a promissory note reciting that they are secured by this Deed of Trust.

As used in this Deed of Trust, "**Loan Documents**" shall mean the Note, this Deed of Trust, the separate Assignment of Leases and Rents, any Guaranties, and the other documents and instruments evidencing or securing the Loan from Beneficiary to Grantor.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, AND TO SECURE THE FULL AND TIMELY PERFORMANCE BY GRANTOR OF ALL OBLIGATIONS, COVENANTS AND AGREEMENTS OF THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS, GRANTOR REPRESENTS, WARRANTS AND AGREES AS FOLLOWS:

1. **Personal Property Security.** Grantor hereby grants to the Beneficiary a security interest in that portion of the Property not deemed to be real property for the purpose of securing performance of all of Grantor's obligations under the Loan Documents.

2. **Security Agreement.** This Deed of Trust shall also constitute a Security Agreement as that term is used in the Washington Uniform Commercial Code ("**UCC**") or other law applicable to the creation of liens or security interests in personal property with respect to any Property or interest not deemed to be real property either referred to or described herein, or in any way connected with the use and enjoyment of the Property, and the remedies for any violation of the covenants, terms and conditions of the agreements herein contained relating to personal property shall be as specified in Article 9 of the UCC. This grant of a security interest to Beneficiary shall not be construed to derogate from or impair the lien or provisions of or the rights of Beneficiary under this Deed of Trust with respect to any Property described herein which is real property or which the parties have agreed to treat as real property. Grantor authorizes Beneficiary to prepare and file one or more financing statements and extensions thereof required for perfection of the security interest granted herein with Grantor as "Debtor" and Beneficiary as "Secured Party" and their respective addresses as set forth in the heading hereof and the Property as the collateral.



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3. **Performance of Obligations.** Grantor shall timely pay all sums when due pursuant to the Note and the Loan Documents without deduction or credit for taxes, insurance and other charges paid by Grantor and strictly comply with all the terms and conditions of the Loan Documents.

4. **Warranty of Title.** Grantor has good and marketable title to an indefeasible fee simple estate in the Real Property, subject to no liens, encumbrances, claims or defects of any kind except easements of record and recorded declarations, restrictions, reservations and covenants, if any, approved by Beneficiary in writing as specific exceptions in Beneficiary's title insurance policy (the "**Permitted Exceptions**") and real estate taxes for the current year, a lien but not yet payable. Grantor has the lawful right to convey the Real Property to Trustee for the benefit of Beneficiary. Grantor will warrant and defend title to the Real Property and will defend the validity and priority of the lien of this Deed of Trust against any claims or demands.

5. **Prohibited Liens.** Grantor shall not permit any governmental or statutory liens (including tax and mechanic's and materialmen's liens) to be filed against the Property except for real estate taxes and assessments not yet due, and liens specifically permitted by the Loan Documents.

6. **Payment of Taxes, Fees and Other Liens and Assessments; Contest.** Grantor shall pay all filing, registration and recording fees, stamp and documentation taxes, and other fees, taxes, duties, imposts, and other charges incident to, arising from, or in connection with the preparation, execution, delivery or recording of each Loan Document. Grantor shall also pay the real estate taxes and any assessments at least ten (10) days prior to delinquency unless otherwise agreed to in writing by Beneficiary. Grantor may contest any real property tax or special assessment on the Property so long as (a) no default has occurred and is continuing under the Note, this Deed of Trust or any of the other Loan Documents; (b) Grantor makes any payment or deposit or posts any bond as and when required as a condition of pursuing such contest; (c) Grantor commences such contest prior to such tax or assessment becoming delinquent, and continuously pursues same in good faith with due diligence; (d) such contest or any bond furnished by Grantor stays the foreclosure and enforcement of any lien securing the payment of any such tax or assessment; and (e) Grantor pays any tax or assessment within ten (10) days following the resolution of such contest. Grantor shall further pay when due all other encumbrances, charges and liens affecting the Property, including mortgages and deeds of trust, whether prior to or subordinate to the lien of this Deed of Trust, and shall not be in default. On request Grantor shall furnish evidence of payment.

7. **Maintenance; No Waste.** Grantor shall protect and preserve the Property and maintain it in good condition and repair, reasonable wear and tear from proper use alone excepted. Grantor shall not commit or permit any waste of the Property or permit any condition to exist which will (i) increase the risk of fire or other hazard, or (ii) invalidate or allow cancellation of any insurance policy covering the Property.

8. **Alterations, Removal and Demolition.** Grantor shall not, nor permit any tenant to, structurally alter, remove or demolish any building or improvement on the Real Property without Beneficiary's prior written consent. Grantor shall not remove any fixture or other item or property which is part of the Property without Beneficiary's prior written consent unless the fixture or item of property is immediately replaced by an article of equal value and utility owned by Grantor free and clear of any lien or security interest.

9. **Completion, Repair and Restoration.** Grantor shall promptly complete or repair and restore in good workmanlike manner any building or improvement on the Real Property which may be constructed or damaged or destroyed and shall pay all costs incurred.

10. **Compliance with Laws.** The Real Property is zoned for its existing use, and is in present compliance with all zoning and subdivision laws, regulations, and ordinances applicable thereto. Grantor shall cause the Property to be continuously in compliance with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the Property and the use thereof (as the same may be amended from time to time) and shall not commit or permit any act upon or concerning the Property in violation of any such laws, ordinances, regulations, covenants, and restrictions. Without limiting the foregoing, Grantor represents and covenants that the Property is in present compliance with, and in the future shall fully comply with, as applicable, the Americans With Disabilities Act of 1990 (42 USC 12101, et seq.), as amended from time to time, and the rules and regulations adopted pursuant thereto.



11. **Impairment of Property.** Grantor shall not, without Beneficiary's prior written consent, change the general nature of the use of the Property, initiate, acquire or permit any change in any public or private restrictions (including a zoning reclassification) limiting the uses which may be made of the Property, or take or permit any action which would impair the value of the Property or Beneficiary's lien or security interest in the Property.

12. **Inspection of Property.** Beneficiary or its authorized representative may inspect the Property at reasonable times during normal business hours after reasonable notice.

13. **Grantor's Defense of Property.** Grantor shall appear in and defend any action or proceeding which may affect the Property or the rights or powers of Beneficiary or Trustee.

14. **Beneficiary's Right to Protect Property.** Beneficiary may commence, appear in, and defend any action or proceeding which may affect the Property or the rights or powers of Beneficiary or Trustee. If Grantor fails to make any payment or do any act required under the Loan Documents, including without limitation, payment of taxes and assessments and maintenance of insurance on the Property, Beneficiary, without any obligation to do so (and without any liability for failing to do so), with notice to or demand upon Grantor but without releasing Grantor from any obligations under the Loan Documents, may make the payment or cause the act to be performed in such manner and to such extent as Beneficiary may deem necessary to protect Beneficiary's interest in the Property. Beneficiary is authorized to enter upon the Property for such purposes. In exercising any of these powers Beneficiary may incur such expenses, in its absolute discretion, it deems necessary.

15. **Repayment of Beneficiary's Expenditures.** Grantor shall pay within 10 days after written notice from Beneficiary all sums expended by and all costs and expenses incurred by Beneficiary in taking any actions pursuant to the Loan Documents including reasonable attorneys' fees, appraisal and inspection fees, and the costs of title reports. Expenditures by Beneficiary shall bear interest from the date of such advance or expenditure at the default rate specified in the Note until paid, shall constitute advances made under this Deed of Trust and shall be secured by and have the same priority as the lien of this Deed of Trust. If Grantor fails to pay any such expenditures, costs and expenses and interest thereon, Beneficiary may, at its option, without foreclosing the lien of this Deed of Trust, commence an independent action against Grantor for the recovery of the expenditures and advance any undisbursed loan proceeds to pay the expenditures.

16. **Due On Conveyance; Change of Control.** Beneficiary has examined and relied upon the creditworthiness, financial strength, reputation, experience and managerial ability of Grantor (and its owners and managers) in owning, leasing and operating properties such as the Property in agreeing to make the Loan to Grantor, and will continue to rely on Grantor as a means of preserving the value of the Property as security. If (i) the Property or any part thereof or interest therein is sold, transferred, leased (other than a space lease without option to purchase), conveyed, traded, exchanged, or otherwise alienated, or a contract of sale or other conveyance is entered into with respect thereto (each a "**Conveyance**"), or (ii) there is a change in the form of organization of, or (except a transfer of the partnership interest of Marvin Stein or Yolanda Stein in the Property to a member or members of his/her immediate family by devise or descent), transfer of a controlling interest in, Grantor (each a "**Change of Control**"), without the prior written consent of Beneficiary, then, upon the occurrence of any one or more of the foregoing events, and regardless of whether or not Grantor shall be in default under the Note or this Deed of Trust or any other Loan Document, Beneficiary may, at its option, declare the then outstanding principal balance evidenced by the Note plus accrued interest thereon immediately due and payable or, at its sole option, it may consent to the Conveyance or Change of Control in writing and may increase the interest rate on the Note to the interest rate on which Beneficiary would then commit to make a first priority mortgage loan of similar character with like terms and security, as determined by Beneficiary in its sole discretion, and impose whatever other terms and conditions it may deem necessary to compensate it for or protect it from the increased risk resulting from the Conveyance or Change of Control. Any increase in interest rate shall entitle Beneficiary to increase monthly payments under the Note so that the increased monthly payments will fully amortize the outstanding balance of the indebtedness over the unexpired amortization term of the



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Note. Any joint venture agreement, partnership agreement, declaration or revocation of trust, option agreement or other agreement whereby any other person or entity may become entitled, directly or indirectly, to the title, possession or enjoyment of the Property (other than a space lease without option to purchase), or the income or other benefits of the Property, shall, in each case, be deemed to be a Conveyance for the purposes of this paragraph, and shall require prior written consent from the Beneficiary. No Conveyance or Change of Control shall operate to discharge or diminish in any way the liability of Grantor or any guarantor under the Loan Documents. If ownership of the Property or any interest therein or part thereof becomes vested in a person or an entity other than Grantor, whether or not Beneficiary has given its written consent, Beneficiary may deal with such successor or successors in interest with reference to this Deed of Trust and the obligations secured hereby, in the same manner as with Grantor, without in any way diminishing or discharging Grantor's liability. Notwithstanding the foregoing provisions, and provided Grantor is not then in default under the Note, this Deed of Trust or any of the Loan Documents, Grantor shall have a one-time only right, upon prior written notice to Beneficiary and payment of all Beneficiary's expenses plus an assumption fee equal to one percent (1%) of the original principal amount of the Note, to convey the entire Property to a transferee whose creditworthiness, financial strength, reputation, experience, and property management ability with respect to ownership, operation and leasing of similar properties are equal to or greater than Grantor in the judgment of Beneficiary, which approval shall not be unreasonably withheld or delayed. If Beneficiary withholds its approval because of the proposed transferee's lack of creditworthiness, reputation, experience, property management ability or financial strength or other basis which leads Beneficiary to reasonably believe the Loan or the security would be impaired, Beneficiary shall not be deemed to have unreasonably withheld its approval. Any transferee must assume in writing all of Grantor's obligations under the Note and the Loan Documents and Grantor and any guarantors of the indebtedness must agree in writing to remain fully bound. Any consent given by Beneficiary pursuant to the foregoing paragraphs shall not constitute consent to any future such transaction. Notwithstanding the foregoing, so long no event of default has occurred and is continuing under the Loan Documents, Grantor may make changes in the ownership of the Property (or the make-up of Grantor) for estate planning purposes only, provided (1) Beneficiary is notified in advance of any such changes; (2) control of the Property (and Grantor) does not change; and (3) Beneficiary is compensated for the cost of documenting and recording any such changes in ownership.

17. **No Other Encumbrances; Due on Encumbrance.** At no time while the indebtedness evidenced by the Note remains unpaid, shall Grantor create, assume, or suffer to exist on the Real Property, or any part thereof, any mortgage, deed of trust or other security instrument (other than this Deed of Trust) without first obtaining the prior written consent of Beneficiary. Whether or not the consent of Beneficiary has been obtained, Grantor, agrees that this Deed of Trust may be modified, varied, extended, renewed, or reinstated at any time by agreement between the holder of this Deed of Trust and Grantor, or the then owner of the Real Property, without notice to, or the consent of, any subordinate mortgagee, beneficiary or lienor, and any such modifications, variance, extension, renewal, or reinstatement shall be binding upon any subordinate mortgagee, beneficiary or lienor with the same force and effect as if the subordinate mortgagee, beneficiary or lienor had consented thereto. This clause shall be self-operative, and no instrument of subordination shall be required from any subordinate mortgagee, beneficiary or lienor. Grantor agrees that should the Real Property or any part thereof at any time be or become subject to the lien of any other mortgage or Deed of Trust or subject to any other encumbrance, pledge, or security interest (except with the prior written consent of Beneficiary), the whole of the principal and interest secured hereby shall, at the option of the Beneficiary, become immediately due and payable.

18. **Insurance.** Without limiting the generality of any other provision contained in this Deed of Trust, Grantor shall procure and continuously maintain "all risk" insurance on the Property with premiums prepaid providing 100% replacement cost coverage on an agreed amount basis and insuring against loss by fire, explosion, smoke, lightning, hail, windstorm, riot, vandalism and other perils and other risks covered by the broadest form of extended coverage available from time to time, one year's loss of rents/income and business interruption, and earthquake as may be required by Beneficiary from time to time in the exercise of its business judgment in light of commercial real estate practice by institutional lenders in the vicinity of the Real Property, and coverage for such other perils and risks as may be reasonably required by Beneficiary from time to time. If the Property is ever designated as having special flood hazards or any other



other designation which would make the Property subject to the National Flood Insurance Act of 1968 or the Federal Flood Disaster Protection Act of 1973, as supplemented, replaced or amended from time to time, or any similar law, Grantor agrees to do everything reasonably necessary to comply with the requirements of said law and related regulations in order that flood insurance will be available to Grantor, and to obtain and maintain for the benefit of Beneficiary such an insurance policy with limits and deductibles satisfactory to Beneficiary. Grantor shall also procure and maintain occurrence form Commercial General Liability insurance against bodily injury or death or property damage occurring in, upon or about, or resulting from, the Property with limits in such amounts as are acceptable to Beneficiary, but in no event less than \$2,000,000 combined single limit per occurrence and \$2,000,000 general aggregate, naming Beneficiary as an additional insured on a primary, non-contributory basis. Each policy must provide no less than thirty (30) days prior written notice to Beneficiary of any cancellation, non-renewal or material change. All insurance shall be with companies satisfactory to Beneficiary having an A. M. Best rating of A VI or better with limits and deductibles acceptable to Beneficiary and lender's loss payable in Form 438BFU (or equivalent) in favor of Beneficiary. At least 30 days prior to the expiration of the term of any insurance policy, Grantor shall furnish Beneficiary with a certificate of insurance evidencing renewal or issuance of a satisfactory replacement policy. If requested, Grantor shall deliver copies of all policies to Beneficiary. In the event of foreclosure of this Deed of Trust all interest of Grantor in any insurance policies pertaining to the Property and in any claims against the policies and in any proceeds due under the policies shall pass to Beneficiary.

19. **Condemnation and Insurance Proceeds.** All insurance proceeds and condemnation awards with respect to the Property are assigned to Beneficiary as additional security for repayment of the Loan. Grantor shall give immediate notice to Beneficiary of any condemnation proceeding, or loss of or damage to the Property in excess of \$10,000 ("**Material Loss**"). Grantor shall have the right to settle and receive the proceeds payable with respect to a condemnation, loss or damage except for a Material Loss. With respect to a Material Loss, all proceeds payable as a result of a condemnation, loss or damage shall be paid to Beneficiary and applied to repair or restore the Property, provided the such repair or restoration is economically feasible and the security of this Deed of Trust is not impaired. Upon a Material Loss to such extent as would make repair uneconomical, or if an Event of Default shall have occurred and be continuing under this Deed of Trust at the time of such loss or condemnation, or if less than two (2) years remains on the unexpired term of the Note, Beneficiary shall, at its option, after deducting its expenses including reasonable attorney's fees, (a) apply all or part of the insurance proceeds against the sums owed under the Loan Documents including the Note whether or not (i) the sums are actually due or (ii) the security for the Note is impaired, and without affecting the due dates or amount of payments thereafter due under the Note, or (b) release all or any part of the proceeds to Grantor, or (c) permit all or any part of the proceeds to be used for repair and restoration of the Property on such conditions as Beneficiary may impose including evidence of sufficient funds to complete the work, approval of the plans and specifications and periodic disbursement of the proceeds during the course of repair and restoration.

20. **Leases.** The terms of all Leases must be acceptable to Beneficiary [and subordinate to this Deed of Trust unless Beneficiary shall otherwise specify]. Grantor shall fully comply with all of the terms, conditions and provision of the Leases so that no breach shall occur and do all that is necessary to preserve all the Leases in force. With respect to any Lease involving an initial term of three years or more, Grantor shall not, without the prior written consent of Beneficiary, modify or amend the Lease for a lesser rental or term, accelerate the payment of rent, change the terms of any renewal option, or accept surrender of or terminate the Lease except in accordance with the terms of the Lease providing for termination in the event of default by the tenant. Any proceeds or damages resulting from a tenant's default under any Lease, at Beneficiary's option, shall be paid to Beneficiary and applied against sums owed under the Loan Documents even though such sums may not be due and payable. Except for real estate taxes and assessments, Grantor shall not permit any lien to be created against the Property which may be or may become prior to any Lease. If the Property is partially condemned or suffers a casualty, Grantor shall promptly repair and restore the Property in order to comply with the Leases.

21. **Absolute Assignment of Leases and Rents; Grantor's Right to Collect.** Grantor hereby absolutely and irrevocably assigns to Beneficiary all Grantor's interest in the Rents and Leases. This assignment shall be subject to the terms and conditions of any separate Assignment of Leases and Rents, whenever executed, in favor of Beneficiary and covering the Property. Unless otherwise provided in any separate Assignment of Leases and Rents, and so long as Grantor is not in default under the Loan



Documents, Grantor may collect the Rents as they become due. Grantor shall use the Rents to pay normal operating expenses for the Property and sums due and payments required under the Loan Documents. No Rents shall be collected more than one (1) month in advance of the due date. Grantor warrants that it has made no prior assignment of the Rents or Leases and will make no subsequent assignment of rents without the prior written consent of Beneficiary. Grantor's right to collect the Rents shall not constitute Beneficiary's consent to the use of cash collateral in any bankruptcy proceeding.

22. **Beneficiary's Right to Collect Rents.** If a default has occurred under the Loan Documents and has not been cured after any applicable notice and cure period specified in the Loan Documents, Beneficiary or its agents, or a court appointed receiver, may collect the Rents without further notice to Grantor. In doing so, Beneficiary may (a) evict tenants for nonpayment of rent, (b) terminate in any lawful manner any tenancy or occupancy, (c) lease the Property in the name of the then owner on such terms as it may deem best and (d) institute proceedings against any tenant for past due rent. The Rents received shall be applied to payment of the costs and expenses of collecting the Rents, including a reasonable fee to Beneficiary, a receiver or an agent, operating expenses for the Property and any sums due or payments required under the Loan Documents, in such amounts as Beneficiary may determine. Any excess shall be paid to Grantor, however, Beneficiary may withhold from any excess a reasonable amount to pay sums anticipated to become due which exceed the anticipated future Rents. Beneficiary's failure to collect or discontinuing collection at any time shall not in any manner affect the subsequent enforcement by Beneficiary of its rights to collect the Rents. The collection of the Rents shall not cure or waive any default under the Loan Documents. Beneficiary or a receiver shall have no obligation to perform any of Grantor's obligations under the Leases. In exercising its rights under this section Beneficiary shall be liable only for the proper application of and accounting for the Rents collected by Beneficiary or its agents. Any Rents paid to Beneficiary or a receiver shall be credited against the amount due from the tenant under the Lease. In the event any tenant under the Lease becomes the subject of any proceeding under the Bankruptcy Code or any other federal, state or local statute which provides for the possible termination or rejection of the leases assigned hereby, Grantor covenants and agrees that in the event any of the Leases are so rejected, no damages settlement shall be made without the prior written consent of Beneficiary; any check in payment of damages for rejection or termination of any such Lease will be made payable to both the Grantor and Beneficiary; and Grantor hereby assigns any such payment to Beneficiary and further covenants and agrees that upon request of Beneficiary, it will duly endorse to the order of Beneficiary any such check, the proceeds of which will be applied to any portion of the indebtedness secured hereunder in such manner as Beneficiary may elect.

23. **Fixture Filing.** To the extent permitted by applicable law, this Deed of Trust shall also serve as a financing statement filed for record in the real estate records as a fixture financing statement pursuant to the UCC covering any Property which is now or may hereafter become fixtures with respect to the Real Property. For the purpose of this fixture filing, Grantor shall be deemed to be the "Debtor" and the Beneficiary shall be deemed to be the "Secured Party" and the addresses of Grantor and Beneficiary are as set forth in the preamble of this Deed of Trust, and the collateral shall be any fixtures on the Real Property. Grantor is the record owner of the Real Property.

24. **Late Charge.** In the event that any payment or portion thereof is not paid within five (5) days commencing with the date it is due, Beneficiary may collect, and Grantor agrees to pay a "late charge" in the amount specified in the Note, but not to exceed the highest such charge permitted by applicable law. This late charge shall apply individually to each payment past due. Payment of a late charge shall not cure any default, or relieve the Grantor of the obligation to make payments on or before the date on which they are due or in any way affect the exercise of Beneficiary's remedies under the terms of the Note or this Deed of Trust.

25. **Default; Remedies.** TIME IS OF THE ESSENCE. If Grantor fails to pay any installment of principal or interest on the Note within ten (10) days of the date the same is due and payable, or if Grantor fails to perform or observe any other covenant or agreement of Grantor contained in this Deed of Trust or in the Loan Documents for more than thirty (30) days after receipt of written notice specifying such default, or if any representation or warranty made by Grantor or any guarantor of the Note was materially false or misleading at the time it was made, or if Grantor or any guarantor fails to disclose any material fact, or if Grantor fails to provide or maintain the insurance in the amounts and forms required by this Deed of Trust, or if Grantor fails to perform or observe any other obligation of Grantor to Beneficiary when due, or if



Grantor makes an assignment for the benefit of creditors, or if a petition in bankruptcy is filed by or against Grantor and not dismissed within sixty (60) days, or if any guarantor of the Loan revokes, or attempts to revoke, its guaranty, or is the subject of a petition in bankruptcy or other insolvency proceeding, or a dissolution, merger or Change of Control occurs with respect to Grantor or any guarantor, or a Conveyance occurs without the prior written consent of Beneficiary, then and in any such event (each of such events being a default by Grantor under this Deed of Trust and for the purposes of the acceleration provisions contained in the Note), the whole sum of the unpaid principal together with interest accrued thereon, at the option of the Beneficiary or the holder of the indebtedness, shall become immediately due and payable and Beneficiary may exercise its rights and remedies under the Loan Documents and applicable law. Beneficiary may execute or cause Trustee to execute a written notice of default and of election to cause said Property to be sold to satisfy the obligations hereof, and Trustee shall file such notice of record in each county where the Property or some part or parcel thereof is situated. Beneficiary shall deposit with Trustee the Note and all other documents evidencing expenditures secured hereby. After lapse of such time as may then be required by law following the recordation of the notice of default, and of election to cause the Property to be sold, and notice of default and notice of sale having been given as then required by law, Trustee, or its attorney, without demand on Grantor, shall sell the Property on the date and at the time and place specified in the notice of sale, either as a whole or in separate parcels, and in such order as it may determine (but subject to any statutory right of Grantor to direct the order in which such Property, if consisting of several lots or parcels, shall be sold), at public auction to the highest bidder, the purchase price payable in cash in lawful money of the United States at the time of sale. The person conducting the sale may, for any cause he deems expedient, postpone the sale for a period not exceeding fifteen (15) days by public proclamation by such person at the time and place fixed in the notice of sale, and no other notice of the postponed sale need be given. Trustee shall execute and deliver to the purchaser its deed conveying the Property so sold, but without any covenant or warranty, expressed or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Beneficiary, may bid at the sale. After deducting the costs and expenses of exercising the power of sale and of the sale, including the cost of search and evidence of title, advertising and recording expense, documentary taxes, and the Trustee's and attorneys fees, Trustee shall apply the proceeds of the sale to the payment of all sums then secured hereby and due hereunder, including all sums expended by the Trustee and Beneficiary, or either of them, with accrued interest thereon, at the highest rate permitted by Washington law (but not to exceed the default rate specified in the Note) from the date of the expenditure thereof and the surplus, if any, to the person or persons legally entitled thereto, provided that the Trustee, in its discretion, may deposit the balance of such proceeds with the County Clerk or Recorder of the county in which the sale took place. Grantor agrees to surrender possession of the Property to the purchaser at the sale, immediately after the sale, in the event possession has not previously been surrendered by Grantor. Beneficiary shall also have the option to declare all sums secured hereby immediately due and payable and foreclose this Deed of Trust in the manner provided by law for the foreclosure of mortgages on real property and Beneficiary shall be entitled to recover in any proceedings all costs and expenses incident thereto, including a reasonable attorneys fee in such amount as may be fixed by the court. Beneficiary's exercise of any of its rights and remedies shall not constitute a waiver or cure of a default. Beneficiary's failure to enforce any default shall not constitute a waiver of the default or any subsequent default. Grantor shall pay all Beneficiary's costs and expenses including Trustee's and reasonable attorneys' fees incurred by either of them in instituting, prosecuting or defending any court action in which Grantor does not prevail, if such action involves the interpretation hereof, or performance hereunder by any party hereto or the breach of any provision hereof by any party hereto, including without limitation, an action to obtain possession of the Property after exercise of the power of sale granted hereunder, (including attorneys' fees for (i) any appeal, (ii) relief from stay motions, cash collateral disputes, assumption/rejection motions and disputes regarding proposed disclosure statements and plans in any bankruptcy proceeding or (iii) for any other judicial or nonjudicial proceeding or arbitration).

26. Cumulative Remedies. All Beneficiary's and Trustee's rights and remedies specified in the Loan Documents are cumulative, not mutually exclusive and not in substitution for any rights or remedies available in law or equity. In order to obtain performance of Grantor's obligations under the Loan Documents, without waiving its rights in the Property, Beneficiary may proceed against Grantor or may proceed against any other security or guaranty for the Note, in such order and manner as Beneficiary may elect. The commencement of proceedings to enforce a particular remedy shall not preclude the discontinuance of the proceedings and the commencement of proceedings to enforce a different remedy.



27. **Sale of Property After Default.** The Property may be sold separately or as a whole, at the option of Beneficiary. In the event of a Trustee's sale of all the Property, Beneficiary hereby assigns its security interest in the Property to the Trustee. Beneficiary may also realize on that part of the Property that is deemed to be personal property under the UCC in accordance with the remedies available under the UCC or at law. In the event of a foreclosure sale, Grantor and the holders of any subordinate liens or security interest waive any equitable, statutory or other right they may have to require marshaling of assets or foreclosure in the inverse order of alienation.

28. **Appointment of Receiver.** In the event of a default and the expiration of any applicable notice and cure period specified in the Loan Documents, Beneficiary shall be entitled, without notice, without bond, and without regard to the adequacy of the Property, to the appointment of a receiver for the Property. The receiver shall have, in addition to all the rights and powers customarily given to and exercised by a receiver, all the rights and powers granted to Beneficiary by the Loan Documents.

29. **Foreclosure of Tenant's Rights; Subordination.** Beneficiary shall have the right, at its option, to foreclose this Deed of Trust subject to the rights of any tenants of the Property. Beneficiary's failure to foreclose against any tenant shall not be asserted as a claim against Beneficiary or as a defense against any claim by Beneficiary in any action or proceeding. Beneficiary at any time may subordinate this Deed of Trust to any or all of the Leases except that Beneficiary shall retain its priority claim to any condemnation or insurance proceeds.

30. **Reconveyance after Payment.** Upon written request of Beneficiary stating that all obligations secured by this Deed of Trust have been paid, Trustee shall reconvey, without warranty, the Property then subject to the lien of this Deed of Trust. The recitals in any reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof. The grantee in the reconveyance may be described as "the person or person legally entitled thereto". Grantor shall pay any Trustee's fees or recording fees.

31. **Release of Parties or Property.** Without affecting the obligations of any party under the Loan Documents (including any guarantor, surety or endorser of Grantor's obligations) or any subsequent purchaser of the Property, and without affecting the lien of this Deed of Trust and Beneficiary's security interest in the Property, Beneficiary may, without notice (a) release Grantor and any other party now or hereafter liable for the payment or performance of any obligations under the Loan Documents, including guarantors of the Loan, (b) release all or any part of the Property, or reconvey without warranty any part of the Property, (c) subordinate the lien of this Deed of Trust or Beneficiary's security interest in the Property, (d) take or release any other security or guaranty, (e) grant an extension of time or accelerate the time for performance of the obligations owed under the Loan Documents, (f) modify, waive, forbear, delay or fail to enforce any obligations owed under the Loan Documents, (g) sell or otherwise realize on any other security or guaranty prior to, contemporaneously with or subsequent to a sale of all or any part of the Property, (h) make advances pursuant to the Loan Documents including advances in excess of the Note amount, (i) consent to the making of any map or plat of the Property, and (j) join in the grant of any easement or creating any restriction on the Property. Any subordinate lien holder shall be subject to all such releases, extensions or modifications without notice to or consent from the subordinate lienholder. Grantor shall pay any Trustee's or attorneys fees, title insurance premiums or recording fees in connection with any of the foregoing.

32. **Nonwaiver of Terms and Conditions.** Time is of the essence with respect to performance of the obligations due under the Loan Documents. Beneficiary's failure to require prompt enforcement of any required obligations shall not constitute a waiver of the obligations due or any subsequent required performance of the obligation. No term or condition of the Loan Documents may be waived, modified or amended except by a written agreement signed by Grantor and Beneficiary. Any waiver of any term or condition of the Loan Documents shall apply only to the time and occasion specified in the waiver and shall not constitute a waiver of the term or condition at any subsequent time or occasion.

33. **Use of Property.** The Property is not used principally, or at all, for agricultural or residential purposes.

34. **Joint and Several Liability.** If there is more than one Grantor of this Deed of Trust, their obligations shall be joint and several.



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35. **Operating and Financial Statements.** Grantor will deliver to Beneficiary upon Beneficiary's request, operating statements and occupancy reports (including a rent roll) for the Property in a form and for periods satisfactory to Beneficiary certified as correct by Grantor. Grantor shall permit Beneficiary to examine all books and records of Grantor pertaining to the Property and deliver to Beneficiary upon request all financial statements, credit reports and other documents in the possession of Grantor relating to the financial condition of Grantor, any tenant of the Property and any guarantor of the Loan, including rental, income and expense statements pertaining to the Property and tax returns and audits.

36. **Maximum Interest Rate.** No person shall be obligated to pay the amount of any interest to the extent it is in excess of the maximum amount of interest permitted by applicable law. Grantor and Beneficiary intend to comply strictly with the applicable usury laws of the State of Washington. In no contingency or event whatsoever shall the amount paid, or agreed to be paid, to Beneficiary for the use, forbearance or detention of the money loaned under the Note or otherwise, or for the performance or payment of any indebtedness, exceed the maximum amount permitted under applicable law. If the loan secured by this Deed of Trust is subject to a law which sets maximum interest or loan charges, and that law is finally interpreted so that interest or other loan charges collected or to be collected exceed the maximum amount permitted by law, and Grantor or any other holder of this Deed of Trust shall ever receive as interest on the Loan an amount which exceeds the maximum amount of interest permitted by applicable law, such excess amount shall be applied to reduction of the principal amount owing on the Loan so as to fully and strictly comply with such law. All sums paid or agreed to be paid to Beneficiary for the use, forbearance or detention of the indebtedness secured hereby shall, to the extent permitted by law, be amortized, allocated, prorated and spread throughout the term of the Loan so that the actual rate of interest is uniform throughout said term and does not exceed the maximum rate permitted by applicable law.

37. **Evasion of the Prepayment Penalty.** If Grantor is in default, any tender of payment sufficient to satisfy all sums due under the Loan Documents made at any time prior to foreclosure sale shall constitute an evasion of the prepayment terms contained in the Note, if any, and shall be deemed a voluntary prepayment and subject to payment of any prepayment premium or fee applicable to that period.

38. **Payment of New Taxes.** If any federal, state or local law is passed subsequent to the date of this Deed of Trust which requires Beneficiary to pay any tax (other than in the form of a tax on the net income of Beneficiary) because of this Deed of Trust or the sums due under the Loan Documents, then Grantor shall pay to Beneficiary on demand any such taxes if it is lawful for Grantor to pay them. If it is not lawful for Grantor to pay such taxes, then at its option Beneficiary may declare the entire unpaid balance of the indebtedness secured hereby to be immediately due and payable.

39. **Acceptance By Trustee.** Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of any pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Beneficiary, or Trustee shall be a party, unless brought by the Trustee.

40. **Substitution of Trustee.** Beneficiary may at any time discharge the Trustee and appoint a successor Trustee who shall have all of the powers, duties, authority and title of the original Trustee. Appointment of a successor Trustee shall become effective upon filing for record in the office of the County Recorder of each county in which said Property is situated a Substitution of Trustee. Each such substitution shall be executed and acknowledged, and notice thereof shall be given and proof thereof made, in the manner provided by law.

41. **Reserves.** Upon (i) occurrence of an event of default, and (ii) written notice to Grantor from Beneficiary, Grantor shall thereafter pay to Beneficiary, together with and in addition to the monthly payments of principal and interest payable on the Note, on the date set forth in the Note for the making of monthly payments, until the Note is fully paid, a sum, as estimated by Beneficiary, equal to the taxes and special assessments next due on the Property, plus the premiums that will next become due and payable on insurance policies required by this Deed of Trust, divided by the number of months to elapse before the premiums, taxes and special assessments are due, such sums to be held by Beneficiary to pay said premiums, taxes and special assessments. Such payments ("**Reserves**") are to be held without allowance of interest to Grantor (except as required by applicable law) and need not be kept separate and apart from



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other funds of Beneficiary. Such Reserves shall be applied by Beneficiary to real estate taxes, special assessments and insurance premiums on the Property as the same become due and payable. Collection of the reserves are solely for the added protection of Beneficiary and entails no responsibility on the part of Beneficiary beyond allowance of due credit for sums actually received by Beneficiary and the payment by Beneficiary of such taxes, special assessments and insurance premiums to the extent of the Reserves when statements therefor are actually presented to Beneficiary by Grantor. If the total of the Reserves shall exceed the amount of payments actually applied by Beneficiary, such excess may be credited by Beneficiary on subsequent payments to be made by Grantor, or at the option of Beneficiary, refunded to Grantor.

42. **Property Management.** Grantor agrees that Beneficiary shall have, and reserves the right to install, professional management of the Property at any time following the occurrence of default under this Deed of Trust, if such default remains uncured following notice and the expiration of any applicable cure period specified in the Loan Documents. Such professional management shall be at the sole discretion of Beneficiary and nothing herein shall obligate Beneficiary to exercise its right to install professional management. The cost of such management shall be borne by Grantor, shall be secured by this Deed of Trust and shall be treated as an additional advance under the Loan Documents.

43. **Environmental Compliance and Indemnification.** Grantor represents and warrants to Beneficiary that to the best of Grantor's knowledge after due and diligent inquiry, neither the Property nor any improvements thereon presently contain asbestos, or signs of water damage or mold in any form, and except as disclosed by the Environmental Site Assessment provided to Beneficiary in writing prior to closing the Loan, no hazardous or toxic waste or substances are being stored on (or located in the soil, groundwater, surface water or waterways) at or under the Property or any adjacent property in quantities or concentrations sufficient to require investigation, removal or remediation under the Environmental Laws (as hereinafter defined) nor have any such quantities or concentrations of waste or substances been stored or used on the Property or any adjacent property prior to Grantor's ownership, possession or control of the Property, nor are any underground storage tanks (whether or not in use) located in, on or under any part of the Property. Grantor agrees to provide written notice to Beneficiary immediately upon Grantor becoming aware of any underground storage tanks on the Property, or that the Property or any adjacent property is being or has been contaminated with hazardous or toxic waste or substances. Grantor will not cause nor permit any activities on the Property which directly or indirectly could result in the Property or any adjoining property becoming contaminated with hazardous or toxic waste or substances. For purposes of this Deed of Trust, the term "**hazardous or toxic waste or substances**" means asbestos, urea formaldehyde foam insulation, flammable explosives, radioactive materials, hazardous materials and petroleum and its refined products, and any substance or material defined, regulated, controlled, limited, prohibited or classified as hazardous or toxic wastes, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term in the Comprehensive Environmental Response Compensation Act of 1980, as amended (42 USC 9601, et seq.), the Hazardous Materials Transportation Act, as amended, (49 USC 1801, et seq.), the Resource Conservation and Recovery Act, as amended, (42 USC 6901, et seq.) the Clean Water Act, as amended, (33 USC 1251, et seq.), the Clean Air Act, as amended, (42 USC 7401, et seq.), the Toxic Substances Control Act, as amended, (15 USC 2601, et seq.) or in any other applicable federal, state or local environmental statute, regulation or ordinance now or hereafter in effect governing the Property, it businesses, products or assets, with respect to discharges into the ground and surface water, emissions into ambient air and generation, control, accumulation, storage, treatment, transportation, removal, labeling, or disposal of waste materials or process by-products, the existence, cleanup, and/or remedy of contamination on property, the protection of the environment from soil, air or water pollution, or from spilled, deposited or otherwise emplaced contamination (the "**Environmental Laws**"). Grantor shall promptly comply with all statutes, regulations and ordinances which apply to Grantor or the Property and with all orders, decrees or judgments of governmental authorities or courts having jurisdiction or by which Grantor is bound, relating to the presence, use, collection, storage, treatment, control, removal or cleanup of hazardous or toxic substances in, on or under the Property or in, on or under any adjacent property that becomes contaminated with hazardous or toxic substances as a result of construction, operations or other activities on, or the contamination of, the Property, at Grantor's expense. Beneficiary may, but is not obligated to, enter upon the Property and take such actions and incur such costs and expenses to effect compliance as it deems advisable to protect its interest as Beneficiary; and whether or not Grantor has actual knowledge of the existence of hazardous or toxic substances in, on or under the Property or any adjacent property as of the date of this instrument, Grantor shall reimburse Beneficiary on demand for the



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full amount of all costs and expenses incurred by Beneficiary in connection with such compliance activities. Grantor agrees to indemnify and hold harmless Beneficiary, its officers, agents and employees from and against any and all loss, damage, expense (including without limitation reasonable attorneys fees and the cost of environmental consultants), liability, claims, suits, proceedings, judgments, fines and penalties or liability associated with or related to the presence, use, manufacture, storage, discharge, dumping, disposal, cleanup or removal of hazardous materials or toxic waste affecting the Property. This indemnity shall not apply to any of the foregoing proximately caused by the willful misconduct or gross negligence of Beneficiary, or its employees, agents and representatives while Beneficiary is in actual possession and control of the Property. This indemnity shall survive any foreclosure, release, discharge or satisfaction of this Deed of Trust or the indebtedness secured thereby.

44. **Representations of Grantor.** Grantor represents and warrants to Beneficiary that Grantor (a) is (1) an individual of legal age and capacity, or (2) a corporation, general partnership, limited partnership, limited liability company, trust or other legal entity, duly organized, validly existing and in good standing under the laws of its creation, and is authorized to do business in each other jurisdiction wherein its ownership of property or conduct of business legally requires such authorization; (b) has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated; and (c) has the power and authority to execute, deliver and perform, and by all necessary action has authorized the execution, delivery and performance of, all of its obligations under this Deed of Trust and the other Loan Documents.

45. **Grantor Not a Foreign Person.** Grantor is not a "foreign person" as that term is defined by Section 1445(f) (3) of the U.S. Internal Revenue Code.

46. **Notices.** Except for any notice required by law to be given in another manner, any notice given by Grantor, Trustee or Beneficiary shall be in writing and shall be effective (1) on personal delivery to the party receiving the notice or (2) on the third day after deposit in the United States mail, postage prepaid with return receipt requested, addressed to the party at the address set forth above, or with respect to the Grantor, to the address at which Beneficiary customarily or last communicated with Grantor.

47. **Successors and Assigns.** This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto and their successors and the terms "Grantor," "Trustee" and "Beneficiary" include their successors and assigns.

48. **Controlling Document.** In the event of a conflict or inconsistency between the terms and conditions of this Deed of Trust and the terms and conditions of any other of the Loan Documents (except for any separate Assignment of Leases and Rents which shall prevail over this Deed of Trust), the terms and conditions of this Deed of Trust shall prevail.

49. **Invalidity of Terms and Conditions.** If any term or condition of this Deed of Trust is found to be invalid, the invalidity shall not affect any other term or condition of this Deed of Trust and this Deed of Trust shall be construed as if not containing the invalid term or condition.

50. **Rules of Construction.** This Deed of Trust shall be construed so that whenever applicable, the use of the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders and shall include corporations, partnerships, trusts, limited liability companies and limited partnerships.

51. **Section Headings.** The heading to the various sections have been inserted for convenience of reference only and shall not be used to construe this Deed of Trust.

52. **Applicable Law.** This Deed of Trust shall be construed, enforced and governed by and in accordance with the laws of the State of Washington, including the procedures for foreclosure and for enforcement of the rights and remedies of Beneficiary under this Deed of Trust. In the event that any provision of this Deed of Trust shall be inconsistent with any provision of the laws of Washington, provided that such state law provision is applicable to the rights and obligations of the parties to this Deed of Trust, such state law provisions shall take precedence over the provisions of this Deed of Trust, but shall not



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STATE OF Washington }
COUNTY OF King } ss.

On 12-2-2008, before me, Laura S. Lau, the undersigned Notary Public, personally appeared **Yolanda Stein** [] personally known to me - OR- [X] proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are/is subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacities, and that by his/her/their signature(s) on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

[Signature]
SIGNATURE OF NOTARY PUBLIC
Residing At: Seattle
My Commission Expires: 04/13/10



REQUEST FOR FULL RECONVEYANCE

To be used only when all obligations have been paid under the Note and this Deed of Trust.

TO: TRUSTEE:

The undersigned is the legal owner and holder of the Note and all other indebtedness secured by the within Deed of Trust. Said Note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of this Deed of Trust, to cancel said Note above mentioned, and all other evidence of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the term of said Deed of Trust, all the estate now held by you thereunder.

Dated _____, 20____

Symetra Life Insurance Company, Beneficiary
By: _____
Its: _____



**EXHIBIT "A" TO DEED OF TRUST, ASSIGNMENT OF LEASES,
SECURITY AGREEMENT AND FIXTURE FILING**

(Page 1 of 2)

EXHIBIT "A" to the Deed of Trust, Assignment of Leases, Security Agreement and Fixture Filing dated December 1, 2008, between STEIN FAMILY LIMITED PARTNERSHIP, a Washington limited partnership ("**Grantor**") and Symetra Life Insurance Company, a Washington corporation ("**Grantee**"), for the purpose of securing a Note in the principal amount of \$2,930,000.00.

(LEGAL DESCRIPTION OF THE REAL PROPERTY)

Land and improvements situated in THE STATE OF WASHINGTON, COUNTY OF SKAGIT, AND IS DESCRIBED AS FOLLOWS:

THE SOUTH ½ OF BLOCK 8, "WEST ADDITION TO THE TOWN OF WOOLLEY, SKAGIT COUNTY, WASH.", AS PER PLAT RECORDED IN VOLUME 2 OF PLATS, PAGE 89, RECORDS OF SKAGIT COUNTY, WASHINGTON. SAID SOUTH ½ CONSISTS OF LOTS 13 THROUGH 24.

TOGETHER WITH THE NORTH 15 FEET OF HARRISON STREET ADJACENT THERETO AS VACATED BY CITY ORDINANCE NO. 1285-97, RECORDED UNDER AUDITOR'S FILE NO. 9802200031.

EXCEPTING THEREFROM THAT PORTION OF LOT 13 CONVEYED TO THE STATE OF WASHINGTON FOR SECONDARY STATE HIGHWAY NO. 1-A AND 1-F, SEDRO-WOOLLEY VICINITY, BY DEEDS RECORDED APRIL 14, 1956, UNDER AUDITOR'S FILE NO. 516234, AND MAY 27, 1955, UNDER AUDITOR'S FILE NO. 518491.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED 2 PARCELS FOR RIGHT-OF-WAY DEDICATIONS ON HARRISON STREET AS RECORDED UNDER AUDITOR'S FILE NO. 20071 0100079.

1.) A PORTION OF LOT 24, SOUTH ½ OF BLOCK 8, "WEST ADDITION TO THE TOWN OF WOOLLEY, SKAGIT COUNTY, WASH.", AS DEPICTED AND RECORDED IN VOLUME 2, PAGE 89 OF SKAGIT COUNTY PLATS, AND OF THE VACATED NORTH 15 FEET OF HARRISON STREET AS DESCRIBED IN CITY ORDINANCE 1285-97 RECORDED UNDER AUDITOR'S FILE NO. 9802200031. SAID PARCEL IS WITHIN THE NORTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 24, TOWNSHIP 35 NORTH, RANGE 4 EAST, W.M., AND IS DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 24; THENCE SOUTH 01° 16' 33" WEST ALONG THE WEST LINE OF SAID VACATED NORTH 15 FEET A DISTANCE OF 15 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 88° 43' 27" EAST ALONG THE SOUTH LINE OF SAID VACATED NORTH 15 FEET A DISTANCE OF 30.00 FEET;

THENCE NORTH 43° 43' 27" WEST A DISTANCE OF 42.43 FEET TO AN INTERSECTION WITH THE WEST LINE OF SAID LOT 24; THENCE SOUTH 01° 16' 33" WEST ALONG SAID WEST LINE AND ALONG THE WEST LINE OF SAID VACATED 15 FEET A DISTANCE OF 30.00 FEET TO THE TRUE POINT OF BEGINNING.

2.) A PORTION OF THE VACATED NORTH 15 FEET OF HARRISON STREET VACATED IN CITY ORDINANCE 1285-97 AND RECORDED UNDER AUDITOR'S FILE NO. 9802200031, HARRISON STREET LIES SOUTH OF THE SOUTH ½ BLOCK 8, "WEST ADDITION TO THE TOWN OF WOOLLEY, SKAGIT COUNTY, WASH.", AS RECORDED IN VOLUME 2, PAGE 89 OF SKAGIT COUNTY PLATS, SAID PLAT IS WITHIN THE NORTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 24, TOWNSHIP 35 NORTH, RANGE 4 EAST, W.M.. SAID PORTION OF THE VACATED NORTH 15 FEET IS DESCRIBED AS FOLLOWS:



**EXHIBIT "A" TO DEED OF TRUST, ASSIGNMENT OF LEASES,
SECURITY AGREEMENT AND FIXTURE FILING**

(Page 2 of 2)

BEGINNING AT THE SOUTHEAST CORNER OF SAID VACATED NORTH 15 FEET; THENCE NORTH 88° 43' 27" WEST ALONG THE SOUTH LINE OF SAID VACATED NORTH 15 FEET A DISTANCE OF 9.05 FEET; THENCE NORTH 69° 28' 12" EAST A DISTANCE OF 11.36 FEET TO AN INTERSECTION WITH THE EAST LINE OF SAID VACATED NORTH 15 FEET; THENCE SOUTHWEST ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 369.30 FEET, A CENTRAL ANGLE OF 0° 41' 43" FOR AN ARC DISTANCE OF 4.48 FEET TO THE TRUE POINT OF BEGINNING.

ASSESSOR'S TAX PARCEL NO. 4176-008-016-0005 (P77395); 4176-008-016-0104 (P77396); 4176-008-020-0009 (P77397); 4176-008-022-0007 (P77398); 4176-008-024-0005 (P77399)



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