

**After Recording Return to:**

Ms. Kathy Green  
Skagit Farmers Supply  
P.O. Box 266  
Burlington, WA 98233



201303280129  
Skagit County Auditor

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**DEED OF TRUST**

**Grantor:** Jensen, Larry R.  
**Grantee:** Skagit Farmers Supply, a Washington corporation  
**Abbreviated Legal Description:** BURLINGTON LOTS 16 & 17 BLK 90 DK 12  
**Assessor's Tax Parcel ID#:** P71901 / 4076-090-017-0003

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THIS DEED OF TRUST, made this 22 day of March, 2013, between Larry R. Jensen, as his separate property, ("Grantor"), whose address is 15356 Produce Lane, Mount Vernon, WA 98273, and Skagit Farmers Supply, a Washington Corporation, ("Beneficiary"), whose address is P.O. Box 266, Burlington, Washington 98233, and Land Title and Escrow Company, whose mailing address is 111 East George Hopper Road, Burlington, Washington 98233("Trustee").

Witnesseth, Grantor hereby grants, bargains, sells and conveys to Trustee in trust, with power of sale, all Grantor's right, title, estate and interest, now owned or hereafter acquired, in the real property located in Skagit County, Washington and legally described as:

Lots 16 and 17, Block 90, "AMENDED PLAT OF BURLINGTON, SKAGIT COUNTY, WASH.," as per plat recorded in Volume 3 of Plats, page 17, records of Skagit County, Washington.

Situate in the City of Burlington, County of Skagit, State of Washington.

Commonly known as 221 Hazel Avenue, Burlington, WA 98223 (P71901).

together with all the tenements, hereditaments and appurtenances now or hereafter thereunto belonging or in anywise appertaining, all improvements now or hereinafter thereon or therein, and the rents, issues and profits of the foregoing.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor in favor of Beneficiary, including but not limited to the obligations identified in the Forbearance and Credit Agreement of even date herewith, including the payment of the sum of \$622,786.12, plus interest, in accordance with the terms of a Promissory Note of even date herewith issued by Grantor and payable to Beneficiary or order, and all renewals, modifications and extensions thereof, and also such further credit granted or sums as may be advanced or loaned by Beneficiary to Grantor or any of his successors or assigns, together with interest thereon at such rate as by law permitted.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property and all buildings, structures and improvements thereon ("improvements") in good condition and repair; to complete any improvements being built or about to be built thereon; to restore promptly any improvements thereon which may be damaged or destroyed; to permit no waste to the property or improvements; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property and improvements.

2. To pay before delinquency all lawful taxes and assessments upon the property and/or the improvements; to keep the property and improvements free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust.

3. To keep all improvements now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be with such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

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 action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

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Parcel 71901



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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.

6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property and/or improvements, Beneficiary may pay the same, and the amount to be paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the obligations secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property or improvements is taken or damaged in an eminent domain proceeding, or conveyed by deed in lieu of such proceedings, the entire amount of the award or amount paid for the property and improvements, or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. Should the property or improvements be sold, conveyed or otherwise transferred prior to the payment in full of the note payment of which secured by this Deed of Trust, said note shall without any action or notice on the part of the Grantor hereof or the holder of the note become immediately due and payable.

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

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

5. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein and Grantors failure to cure that default within ten (10) days following Grantor's receipt of written notice of default, all sums secured hereby shall immediately become due and payable without further action or notice by the Grantor or the holder of the note secured hereby. In such event and upon written request of Beneficiary, Trustee shall sell the property and improvements, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.



6. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property and improvements which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrances for value.

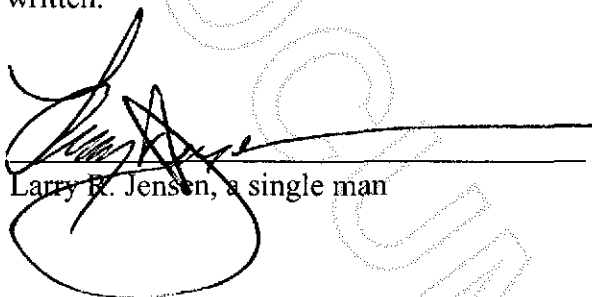
7. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

8. In the event of death, incapacity, disability or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

9. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

10. Grantor represents and warrants that the property and improvements covered by this Deed of Trust are not used principally for agricultural or farming purposes.

DATED the day and year first above written.

  
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Larry R. Jensen, a single man

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

THIS IS TO CERTIFY that on the 22ND day of March, 2013 before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, came Larry R. Jensen personally known or having presented satisfactory evidence to be the individual described



in and who executed the within instrument, and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

WITNESS MY HAND and official seal the day and year in this certificate first above written.



Gary Lee Anderson  
Print Name: Gary Lee Anderson  
Notary Public in and for the  
State of Washington, residing at  
Mount Vernon, WA  
Expiration Date: June 29, 2014

**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 said Deed of Trust, to cancel said note above-mentioned, and all other evidences 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 terms of said Deed of Trust, all the estate now held by you thereunder.

Dated \_\_\_\_\_.

\_\_\_\_\_

Mail reconveyance to: \_\_\_\_\_



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