

**Recording requested
and when recorded return to:**

Terrance J. Keenan
Foster Pepper PLLC
1111 3rd Ave., Ste. 3400
Seattle, WA 98101-3299



Skagit County Auditor

\$77.00

4/25/2013 Page

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5 11:30AM

Document Title	DEED OF TRUST
Grantor(s):	GARY E. ANDERSON; TERRY A. ANDERSON
Grantee(s):	TCF INVENTORY FINANCE, INC., a Minnesota corporation
Abbreviated Legal Description:	LOT 4, B.S.P. #PL03-0071 (AF #200305070015); PTN SE 1/4 OF SW 1/4, 29-34-4 E W.M. SKAGIT COUNTY, WASHINGTON
Complete Legal Description on Page:	Page 1
Auditor's Reference Number(s):	N/A
Assessor's Property Tax Parcel No./Account No.:	8043-000-004-0000 / P120400

Trustee: Land Title Company

DEED OF TRUST

THIS DEED OF TRUST made this 16th day of April, 2013, among GARY E. ANDERSON and TERRY A. ANDERSON, husband and wife, hereinafter referred to as "Grantor," whose mailing address 85 East Vista Del Mar Street, Camano Island, Washington 98282; and Land Title Company, hereinafter referred to as "Trustee," whose mailing address is P.O. Box 445, Burlington, Washington 98233; and TCF Inventory Finance, Inc., a Minnesota corporation, hereinafter referred to as "Beneficiary," whose address is 1475 East Woodfield Road, Suite 1100, Schaumburg, Illinois 60173.

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in trust, with power of sale the following described real property in the County of Skagit, State of Washington:

LOT 4 OF BINDING SITE PLAN NO. PL03-0071, RECORDED MAY 7, 2003, UNDER AUDITOR'S FILE NO. 200305070015, RECORDS OF SKAGIT COUNTY, WASHINGTON, AND BEING A PORTION OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

TOGETHER WITH A PERPETUAL EXCLUSIVE EASEMENT FOR THE PURPOSES OF INSTALLING, MAINTAINING AND REPAIRING A SIGN AS CONVEYED BY EASEMENT DEED RECORDED MARCH 3, 2005, UNDER AUDITOR'S FILE NO. 200503030054.

AND ALSO TOGETHER WITH THAT PORTION OF TRACT A OF BINDING SITE PLAN NO. PL03-0071, RECORDED MAY 7, 2003, UNDER AUDITOR'S FILE NO. 200305070015, RECORDS OF SKAGIT COUNTY, WASHINGTON, AND BEING A PORTION OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 29, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., LYING EAST OF THE EAST LINE OF LOT 1 OF SAID BINDING SITE PLAN AND WEST OF THE EAST LINE OF LOT 4 OF SAID BINDING SITE PLAN, EXTENDED SOUTH TO THE SOUTH LINE OF SAID TRACT A.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

which real property is not used principally for agricultural or farming purposes, together with all tenements, hereditaments, and appurtenances, now or hereafter thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of Grantor herein contained and the full and complete performance by Grantor of the obligations imposed under that certain Secured Non-Recourse Promissory Note of even date herewith in the principal amount of \$218,847.37 ("Note"), as such Note may be amended from time to time, including, but not limited to, timely payment of the sums due under the Note (the "Indebtedness").

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

1. Repair; Waste; No Illegal Use. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure, or improvement being built or about to be built thereon; to restore promptly any building, structure, or improvement thereon that may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.



2. Taxes; Assessments; Encumbrances. To pay before delinquent all lawful taxes and assessments on the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.

3. Insurance. To cause all improvements now existing or hereafter erected on the property described herein to be at all time insured against loss by fire or other hazards in an amount not less than the lesser of (a) the total debt secured by this Deed of Trust and any deeds of trust senior in position to this Deed of Trust, or (b) the actual cash value of the improvements. Any insurance policy provided hereunder may be provided by Grantor or any third party that is contractually obligated to provide such insurance policy.

All policies shall include a standard mortgagee clause. Beneficiary may demand proof of insurance.

Unless Beneficiary and Grantor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Grantor.

Unless Beneficiary otherwise agrees in writing, any application of any prepayment or payment in excess of the usual monthly payment to the Indebtedness shall not extend or postpone the due date of the next payment or change the amount of such payment.

4. Attorneys' Fees. 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 expenses, including cost of title search and attorneys' fees in a reasonable amount, in any such action or proceedings, and in any suit brought by Beneficiary to foreclose this Deed of Trust or in connection with any nonjudicial sale of the property under this Deed of Trust.

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

6. Cure by Beneficiary. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the applicable rate set forth in the agreements secured hereby, shall be added to and become a part of the debt secured by this Deed of Trust, and shall be due and payable at the same time as the next payment of the Indebtedness due the Beneficiary secured by this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

7. Payments by Grantor. If the real property described herein is subject to an existing contract or contracts, mortgage, Deed of Trust or any other obligation, which Grantor of this Deed of Trust is to pay, Grantor agrees to make such payments in accordance with the terms thereof and upon default, the Beneficiary shall have the right to make any payments necessary to remove the defect, and the amounts so paid, with interest at the applicable rate set forth in the agreements secured hereby, shall be added to and become a part of the debt secured by this Deed of Trust, and shall be due and payable at the same time as the next payment of the Indebtedness due the Beneficiary secured by this Deed of Trust.

8. Hazards; Taking or Destruction of Property. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion thereof as



may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to the obligation.

9. No Waiver. 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.

10. Reconveyance. 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 Grantor and Beneficiary or on satisfaction of the obligations secured and written request for reconveyance made by Beneficiary or the person entitled thereto. Any trustee's fees or recording fees for such reconveyance shall be paid by Grantor herein.

11. Default and Remedies. On default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured herein shall become due and payable at the option of Beneficiary after Beneficiary has provided the greater of ten (10) calendar days or five (5) business days (i.e., excluding Saturdays, Sundays and United States federal holidays) written notice to Grantor. In such event and on written request of Beneficiary, Trustee or its authorized agent shall sell the trust property, in accordance with the Deeds of Trust Act of the State of Washington, Chapter 61.24 RCW, at public auction to the highest bidder. Any person except Trustee may bid at the Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (a) To the expense of sale, including a reasonable Trustee's fee and attorney's fee; (b) To the obligation secured by this Deed of Trust; (c) The surplus, if any, shall be distributed to the persons entitled thereto, or may be deposited (less the clerk's filing fee) with the clerk of the superior court of the county in which the sale takes place.

12. Trustee's Deed. Trustee shall deliver to the Purchaser at the sale its deed, without warranty, which deed shall convey to the Purchaser the interest in the property that 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 hereafter. Trustee's deed shall recite the fact 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 purchasers and encumbrances for value.

13. Foreclosure as Mortgage. The power of sale conferred by this Deed of Trust and by the Deeds of Trust Act of the State of Washington, Chapter 61.24 RCW, is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

14. Successor Trustee. In the event of the death, disability, incapacity or resignation of Trustee, Beneficiary may appoint in writing a successor Trustee, and on 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. Trustee is not obligated to notify any party hereto of pending sale under any 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 Trustee.


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15. Benefit and Burden. 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, successors and assigns. The term "Beneficiary" shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

DATED this 16th day of April, 2013.

GRANTOR:



Gary E. Anderson



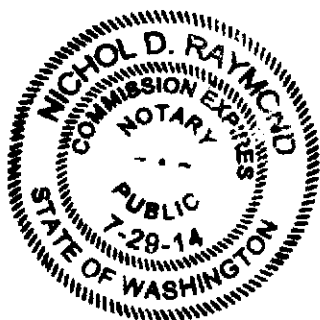
Terry A. Anderson

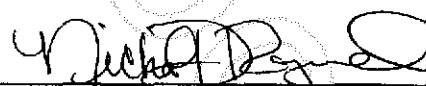
ACKNOWLEDGMENTS

STATE OF WASHINGTON)
) ss.
COUNTY OF Whatcom)

I certify that I know or have satisfactory evidence that GARY E. ANDERSON and TERRY A. ANDERSON are the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 16th day of April, 2013.





Typed/Printed Name Nichol D Raymond
NOTARY PUBLIC in and for the
State of Washington, residing
in Whatcom County
My appointment expires 07-29-2014

