AFTER RECORDING RETURN TO:

Lane Powell PC 1420 5th Avenue, Suite 4200 Seattle, WA 98111-9402 Attention: Gregory R. Fox



Skagit County Auditor

\$77.00

12/26/2013 Page

1 of

5 10:15AM

SHORT FORM DEED OF TRUST

GUARDIAN NORTHWEST TITLE CO.

Grantor: Grantees:

Hansell/Mitzel LLC

Washington Federal (Beneficiary)

106997

LPSL Corporate Services, Inc. (Trustee) Lot 14, Plat of North Hill PUD

Abbrev. Legal: Tax Parcel No:

4855-000-014-0000 (P122814)

THIS DEED OF TRUST ("Deed of Trust") is made this **23** day of December, 2013 between Hansell/Mitzel LLC, a Washington limited liability company ("Grantor"), whose address is P.O. Box 2523, Mount Vernon, WA 98273; LPSL Corporate Services, Inc., a Washington corporation ("Trustee"), whose address is 1420 Fifth Avenue, Suite 4200, Seattle, WA 98111-9402; and Washington Federal, a national association (hereinafter the "Beneficiary" or "Lender"), whose address is 425 Pike Street, Seattle, WA 98101.

Grantor hereby irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale according to Washington law, all Grantor's estate, right, title, interest, claim and demand, now owned or hereafter acquired, in and to the following described real property, situated in the County of Skagit, State of Washington, to-wit:

LOT 14, "PLAT OF NORTH HILL PUD", ACCORDING TO THE PLAT THEREOF RECORDED MAY 5, 2005 UNDER SKAGIT COUNTY AUDITOR'S FILE NO. 200505050094, RECORDS OF SKAGIT COUNTY, WASHINGTON.

(the "Property," which term shall include all or any part of the Property, any improvements now or hereafter located thereon, any plumbing, electrical, natural gas, fire extinguishing, vacuum, irrigation, data, communication, heating and ventilation equipment and fixtures, kitchen equipment and appliances, carpeting and other flooring, window coverings, and other fixtures now or hereafter located thereon, and all of the property described in Paragraph 2 of the Master Form Deed of Trust hereinafter referred to);

TOGETHER WITH all the tenements, hereditaments and appurtenances, now or hereafter thereunto belonging or in any way appertaining, leases and other agreements for the use and occupancy pertaining thereto, and the rents, issues and profits thereof and all other property or rights of any kind or nature whatsoever further set forth in the Master Form Deed of Trust hereinafter referred to, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Lender to collect and apply such rents, issues and profits. The Property which is the subject of this Deed of Trust is not used principally or primarily for agricultural or farming purposes.

This Deed of Trust shall constitute a security agreement under the Uniform Commercial Code of Washington between Grantor, as debtor, and Lender, as secured party. Grantor grants a security interest to Lender in any of the Property which is personal property and also grants a security interest in the property described in Paragraph 3 of the Master Form Deed of Trust hereinafter referred to, now owned or hereafter acquired by Grantor (the Property, as defined above, and the property described in said Paragraph 3 are hereafter collectively referred to as the "Collateral"). As to all of the Collateral which is or which hereafter becomes a "fixture" under applicable law, this Deed of Trust constitutes a fixture filing under the Uniform Commercial Code as adopted in Washington, RCW Chapter 62A, as amended or recodified from time to time.

THIS DEED OF TRUST IS FOR THE PURPOSE OF SECURING the following:

- (a) All obligations, debts and liabilities, plus interest thereon, owing to Lender under that certain amended and restated Promissory Note dated as of February 2, 2009, executed by Grantor, in the stated principal amount of THREE HUNDRED SEVENTY THREE THOUSAND ONE HUNDRED FIFTY AND 00/100 DOLLARS (\$373,150.00), and all amendments, renewals or modifications thereof (collectively, "Note 369993-1");
- (b) Payment of any further sums advanced or loaned by Lender to Grantor, or any of its successors or assigns, including costs and expenses incurred by Lender, <u>provided</u> the advance is made pursuant to this Deed of Trust (this Deed of Trust, Note 369993-1, and such other documents expressly referencing Note 369993-1, including any loan agreements, but excluding any personal guaranty, are hereinafter collectively referred to as the "Loan Documents"), together with interest thereon at the rate set forth in Note 369993-1 unless otherwise specified in the Loan Documents or agreed to in writing;
- (c) Performance of each agreement, term and condition set forth or incorporated by reference in any Loan Documents, which are incorporated herein by reference.

By executing and delivering this Deed of Trust and Note 369993-1 secured hereby, the parties agree that all provisions of Paragraphs 1 through 69 inclusive of the Master Form Deed of Trust hereinafter referred to, except such paragraphs as are specifically excluded or modified herein, are hereby incorporated herein by reference and made an integral part hereof for all

-2-

114934,0079/5899844,1

201312260058

Skagit County Auditor 12/26/2013 Page \$77.00

2 of

5 10:15AM

purposes the same as if set forth herein at length, and the Grantor hereby makes said covenants and agrees to fully perform all of said provisions. The Master Form Deed of Trust above referred to was recorded on the dates below shown, in the Official Records of the offices of the County Auditors or County Recorders of the following counties in the State of Washington according to the enumerated recordation designations appearing below after the name of each county, to wit:

| COUNTY | DRAWER, REEL, BOOK OR VOLUME | FRAME OR PAGE NO(S). | RECORDING OR AUDITOR'S FILE NO. | DATE OF RECORDING |
|--------------|---------------------------------------|-------------------------|---------------------------------------|----------------------|
| ADAMS | 229 | 260-271 | 239483 | October 12, 1995 |
| ASOTIN | | | 217406 | October 11, 1995 |
| BENTON | 636 | 65-76 | 95-23049 | October 12, 1995 |
| CHELAN | 1052 | 1633-1644 | 9510120008 | October 11, 1995 |
| CLALLAM | 1111 | 694-705 | 729425 | October 11, 1995 |
| CLARK | | | 9510110089 | October 11, 1995 |
| COLUMBIA | 3D | 712-723 | 8601 | October 11, 1995 |
| COWLITZ | 1213 | 0637-0648 | 951012074 | October 12, 1995 |
| DOUGLAS | M444 | 09-20 | 307858 | October 12, 1995 |
| FERRY | [M.F. of O.R.] | | 232892 | October 11, 1995 |
| FRANKLIN | 0377 | 0564-0575 | 524669 | October 11,1995 |
| GARFIELD | | | 3317 | October 11, 1995 |
| GRANT | 068 | 1954-1965 | 951012004 | October 11,1995 |
| GRAYS | 95 | 33136-33147 | 951012026 | October 11, 1995 |
| HARBOR | | | a N | |
| ISLAND | 696 | 1410-1421 | 95016396 | October 11. 1995 |
| JEFFERSON | 537 | 328-339 | 385505 | October 11, 1995 |
| KING | | | 9510100421 | October 10, 1995 |
| KITSAP | 0879 | 2392-2403 | 9510130066 | October 13, 1995 |
| KITTITAS | 370 | 717 | 586108 | October 11, 1995 |
| KLICKITAT | 327 | 218 | 249676 | October 11, 1995 |
| LEWIS | 672 | 350-361 | 9514582 | October 11, 1995 |
| LINCOLN | 65 | 003034-003045 | 400875 | October 11, 1995 |
| MASON | 688 | 144-155 | 615408 | October 11, 1995 |
| OKANOGAN | 137 | 1089-1100 | 833848 | October 11. 1995 |
| PACIFIC | 9510 | 559-570 | 62332 | October 11, 1995 |
| PEND ORIELLE | 121 | 1099-1110 | 230779 | October 12, 1995 |
| PIERCE | 1163- | 2511-2522 | 9510110478 | October 11, 1995 |
| SAN JUAN | 525 | 230-241 | 95101201 | October 12. 1995 |
| SKAGIT | 1483 | 0372-0383 | 9510110046 | October 11, 1995 |
| SKAMANIA | 152 | 860-871 | 123494 | October 11, 1995 |
| SNOHOMISH | 3081 | 1623-1634 | 9510110189 | October 11, 1995 |
| SPOKANE | 1781 | 1737-1748 | 9510110230 | October 11, 1995 |

- 3 -

114934.0079/5899844.1



Skagit County Auditor 12/26/2013 Page \$77.00 **5 10:15AM**

| COUNTY | DRAWER, REEL, BOOK OR VOLUME | FRAME OR PAGE NO(S). | RECORDING OR AUDITOR'S FILE NO. | DATE OF RECORDING |
|----------------|---------------------------------------|-------------------------|---------------------------------------|----------------------|
| STEVENS | 193 | 2376-2387 | 9510157 | October 11, 1995 |
| THURSTON | 2464 | 702-713 | 9510110097 | October 11, 1995 |
| WAHKIAKUM | 104 | 0579-0590 | 45447 | October 12, 1995 |
| WALLA WALLA | 234 | 1593-1604 | 9509789 | October 11, 1995 |
| WHATCOM | 465 | 1133-1144 | 951011197 | October 11, 1995 |
| WHITMAN | | | Microfilm No. 580488 | October 11, 1995 |
| YAKIMA | 1494 | 1819-1830 | 3110734 | October 11, 1995 |

A copy of such Master Form Deed of Trust has been furnished to the person executing this Deed of Trust, and by executing this Deed of Trust the Grantor acknowledges having received such Master Form Deed of Trust.

The undersigned Grantor requests that a copy of any Notice of Default and of any Notice of Sale hereunder, as required by Washington law in case of non-judicial foreclosure of a deed of trust, be mailed to Grantor at Grantor's address as hereinabove set forth.

Grantor agrees to obtain all insurance reasonably required from time to time by Lender and as elsewhere provided in the Loan Documents, including flood insurance. If Grantor fails to maintain such insurance satisfactory to the Lender, Lender may make the payment on behalf of the Grantor, and any sums expended shall be added to principal and bear interest at the rate provided in Note 369993-1.

Grantor agrees to pay to Lender immediately upon demand the full amount of all payments, advances, charges, costs and expenses, including court costs and reasonable attorneys' fees (to include outside counsel fees and all allocated costs of Lender's in-house counsel), expended or incurred by Trustee or Lender pursuant to this Deed of Trust, whether incurred at the trial or appellate level, in an arbitration proceeding or otherwise, and including any of the foregoing incurred in connection with any bankruptcy proceeding (including without limitation, any adversary proceeding, contested matter or motion brought by Lender or any other person) relating to Grantor or in any way affecting any of the Collateral or Lender's ability to exercise any of its rights or remedies with respect thereto. All of the foregoing shall be paid by Grantor with interest from the date of demand until paid in full at the highest rate per annum payable under Note 369993-1. Lender reserves all rights and remedies under the Loan Documents and shall not be deemed to waive any defaults, rights, or remedies by accepting this Deed of Trust.

-4-

114934 0079/5899844 1

201312260058

Skagit County Auditor 12/26/2013 Page

\$77.00 4 of 5 10:15AM

GRANTOR AND LENDER WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION AT LAW OR IN EQUITY OR IN ANY OTHER PROCEEDING BASED ON OR PERTAINING TO THIS DEED OF TRUST OR ANY OTHER DOCUMENT OR AGREEMENT CONTEMPLATED HEREIN.

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

WITNESS the hand(s) and seal(s) of the Grantor, and each of them if more than one, on the day and year first above written.

HANSELL/MITZED/LLC, a Washington limited

liability company

Name: Daniel R. Mitzel

Its: Managing Member

STATE OF WASHINGTON

) ss. COUNTY OF

I certify that I know or have satisfactory evidence that Daniel R. Mitzel is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged it as Managing Member of HANSELL/MITZEL LLC, to be his free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

-5-

DATED: December



Print Name: Print Name: Koso M 1 jees NOTARY PUBLIC for the State of

Washington, residing at

My appointment expires:

114934 0079/5899844 1

Skagit County Auditor

\$77.00 5 10:15AM

12/26/2013 Page

5 of