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Skagit County Auditor

\$91.00

7/28/2014 Page

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19 1:45PM

When Recorded, Return to:

Banner Bank  
3005 112<sup>th</sup> Ave NE, Suite 100  
Bellevue, Washington 98004  
Attn: Marcia Tidball

Loan No. 14006026

CHICAGO TITLE  
620021722

DEED OF TRUST  
(Washington)

Grantor(s):	PIAZZA HOLDINGS, LLC	
Grantee(s):	Trustee:	Northwest Financial Corporation
	Beneficiary:	Banner Bank
Legal Description (abbreviated):	PTN SW NW, 08-34-04	
	<input checked="" type="checkbox"/> Complete legal on EXHIBIT A pg. 19	
Assessor's Tax Parcel Identification No(s):	P24266 / 340408-2-018-0103	

THIS DEED OF TRUST dated July 18, 2014, is made by and among Piazza Holdings, LLC, a Washington limited liability company (collectively, if more than one individual or entity, the "**Grantor**"), whose address is 12565 Eagle Drive, Burlington, Washington 98233; Northwest Financial Corporation (the "**Trustee**"), whose address is 10 S. First Avenue, Walla Walla, Washington 99362; and Banner Bank (the "**Beneficiary**"), whose address is P.O. Box 907, Walla Walla, Washington 99362, Attn: Loan Servicing.

**Notice:** One or more notes secured by this Deed of Trust contain provisions for a variable interest rate.

1. **Granting Clause.** For good and valuable consideration, including the indebtedness described below and the trust created hereby, Grantor hereby irrevocably grants, transfers, conveys and

assigns to Trustee, in trust, with power of sale, for the benefit and security of Beneficiary, all of Grantor's estate, right, title, and interest in and to that certain real property located in Skagit County, State of Washington, more particularly described on EXHIBIT A attached hereto and incorporated herein by this reference (the "**Property**"); together with:

1.1 After-Acquired Title. Any after-acquired title of Grantor in and to the Property and in and to land lying in streets and roads adjoining the Property;

1.2 Easements, Etc. All access rights, easements, tenements, privileges, rights, hereditaments, and appurtenances now or hereafter belonging or in any way appertaining to the Property;

1.3 Rents. The rents, issues, profits, royalties, income, and other benefits derived from the Property;

1.4 Improvements. All buildings, improvements, structures, fixtures, and articles of property now or hereafter erected on, attached to, located on, or used or intended to be used in connection with the Property;

1.5 Licenses/Water Rights. All water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, timber, geothermal and similar matters, and all requisite approvals, licenses, permits, variances, cooperative agreements, tax credits (if applicable), tax abatement benefits (if applicable), recording engineering and entitlement maps, and land-use entitlements; and

1.6 Additional Property and Rights. All other property or rights of any kind or nature further set forth herein;

all of which shall be deemed to be and remain a part of the Property and not severable wholly or in any part without material injury to the freehold and shall be included in any references to the Property hereunder.

**2. Security Agreement.** This Deed of Trust shall also constitute a "Security Agreement" under the Uniform Commercial Code as adopted by the State of Washington (the "**UCC**") between Grantor as debtor and Beneficiary as secured party. As additional security for the performance of the obligations secured hereby, Grantor further grants and conveys to Beneficiary a security interest and a continuing lien on the following-described property and all proceeds of such property (collectively, the "**Collateral**"), all of which Collateral shall be deemed a part of and shall be included in any reference to the Property hereunder:

2.1 Property in Section 1. Any of the Property described in Section 1 above that is deemed to be personal property;

2.2 Permits, Plans, and Contracts. All of Grantor's right, title, and interest in all permits, approvals, commitments, designs, plans, specifications, architectural and engineering contracts, construction contracts, surveys, appraisals, listing agreements, warranties, and any and all other work product or general intangibles relating to the Property or any part thereof and now or hereafter owned by Grantor, including, without limitation, the Permits, Contracts, and Plans as defined in Section 6 below and any and all rights or claims that relate to the construction of improvements on or to the Property that Grantor may have against any person or entity supplying, or who has supplied, labor, materials, or services in connection with the construction of improvements on the Property;



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2.3 Rights Under Covenants. All of Grantor's rights under any declarations of covenants, conditions, and restrictions recorded for the Property, including all of Grantor's rights and powers to elect or select officers and directors for any Homeowners' Association established for the Property;

2.4 Insurance; Eminent Domain. All of Grantor's rights under any and all contracts and policies of insurance with respect to the Property and to any and all awards made in connection with any eminent domain or condemnation proceedings, or purchases in lieu thereof, of the whole or any part of the Property;

2.5 Rights of Sale. All of Grantor's right, title, and interest in any contracts or agreements of sale with respect to the Property, all purchase money indebtedness to Grantor related to any sale, and any cash proceeds of such sale;

2.6 Accounts with Beneficiary. All accounts maintained by Grantor with Beneficiary or any subsidiary or affiliate of Beneficiary;

2.7 Improvement, Fixtures, etc. All improvements, fixtures, equipment, furnishings, appliances, machinery, apparatus, goods, construction materials, and other articles of personal property owned by Grantor and now or hereafter affixed to, placed upon, or used in connection with the Property, including, but not limited to, any structures constructed on the Property, all pipes for water and sewer lines, cables, electrical wires for power systems, and construction materials, and any and all replacements and improvements thereof;

2.8 Other Property. Any and all other property or rights of any kind or nature further identified herein or in any UCC financing statement filed in connection herewith; and

2.9 Proceeds. Any and all interest and estate that Grantor or Grantor's assigns may hereafter acquire in any of the above Property and all the rents, issues, proceeds, products, and profits of such Property.

Grantor authorizes Beneficiary to file one or more financing statements and such other documents as Beneficiary may from time to time require to perfect and continue the perfection of Beneficiary's security interest in any part of the Collateral. Grantor shall pay all fees and costs that Beneficiary may incur in filing such documents in public offices and in obtaining such record searches as Beneficiary may reasonably require. Grantor shall cooperate with Beneficiary in obtaining control of any portion of the Property that consists of Deposit Accounts, Investment Property, Letter-of-Credit rights, and Electronic Chattel Paper, as such terms are defined in the Uniform Commercial Code as enacted in the state in which the Property is located.

3. **Fixture Filing.** It is intended that the recording of this Deed of Trust shall be effective as a "fixture filing" under RCW 62A.9-402(6) with respect to any and all fixtures included within the Collateral and all goods or personal property that are now or may hereafter become affixed to the Property, and the Deed of Trust is to be filed and indexed in the real estate records not only as a deed of trust, but also a fixture filing.

4. **Obligations Secured.** This Deed of Trust is given for the purpose of and does secure the following obligations:



4.1 Promissory Note. Payment of all obligations at any time owing under that certain Promissory Note payable by Grantor, as maker, to the order of Beneficiary or order, executed concurrently herewith (the "**Note**"), evidencing a loan from Beneficiary to Grantor in the maximum outstanding principal amount of ONE MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND and 00/100 Dollars (\$1,675,000.00) (the "**Loan**"), together with interest thereon at a variable rate and any modifications, extensions or renewals thereof, whether or not any such modification, extension or renewal is evidenced by a new or additional promissory note or notes.

4.2 Additional Obligations. Payment of any further sums advanced or loaned by Beneficiary to Grantor or any of Grantor's successors or assigns, or otherwise owed by Grantor to Beneficiary, together with interest thereon, if such sums, including costs and expenses incurred by Beneficiary, are owing pursuant to this Deed of Trust or any of the other documents executed by Grantor securing or otherwise relating to the Note or the loan evidenced thereby, whether executed prior to, contemporaneously with, or subsequent to this Deed of Trust (this Deed of Trust, the Note, and all other documents governing, securing, or otherwise relating to the Note or the loan evidenced thereby, with the exception of any environmental indemnity or other indemnity agreement that by its terms is not secured hereby (the "**Indemnity Agreement**"), and with the exception of any and all guaranties of payment and/or performance executed in connection with the Note (collectively, the "**Guaranties**"), are hereafter referred to collectively as the "**Loan Documents**") together with interest thereon at the rate set forth in the relevant document; and

4.3 Obligations Under Loan Documents. Performance of each agreement, term, and condition set forth or incorporated by reference in the Loan Documents and any modifications, extensions or renewals thereof, whether or not any such modification, extension or renewal is evidenced by a new document or documents.

Grantor further covenants and agrees as follows:

5. **Assignment of Rents.** Grantor hereby assigns and transfers to Beneficiary all its rights and profits from the Property and the right, title, and interest of Grantor in and under all leases now or hereafter affecting the Property. This assignment is absolute, unconditional, and not in the nature of a security interest, it being the intention of Grantor to establish a complete and present transfer of all interests assigned hereunder with the right, but without the obligation, to collect all rents and profits of the Property. So long as Grantor is not in default hereunder, Grantor may collect assigned rents and profits as the same fall due; but, upon the occurrence of any Event of Default hereunder, all rights of Grantor to collect or receive rents and profits shall terminate. Further, all rents and profits of Grantor receivable from or in respect to the Property that Grantor shall be permitted to collect hereunder shall be received by it in trust to pay the usual and reasonable operating expenses of, and taxes upon, the Property and the sums owing Beneficiary on the obligations secured hereby. In the event of any default hereunder and the exercise by Beneficiary of its rights herein granted, Grantor agrees that payment made by tenants or occupants to Beneficiary shall be considered as though made to Grantor and in discharge of the tenants' obligations to Grantor. Nothing herein contained shall be construed as obligating Beneficiary to perform any of Grantor's covenants under any lease or rental arrangement.

6. **Assignment of Permits, Contracts, and Plans.** In addition to and without in any way derogating from the security interest granted Beneficiary in the Collateral, Grantor hereby assigns, grants, transfers, and sets over unto Beneficiary, Grantor's right, title, and interest in, to, and under any and all permits, approvals, commitments, designs, plans, specifications, construction, architectural and engineering



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contracts, subcontracts, appraisals, listing agreements, and any and all other contracts for work product relating to development or construction on the Property or any part thereof, together with all amendments, modifications, supplements, revisions, and addenda thereto heretofore or hereafter prepared or executed (collectively, the "**Permits, Contracts, and Plans**").

6.1 Security for Loan. This assignment is made as additional security for the payment and performance of all of the obligations of Grantor set forth in Section 4 above.

6.2 Liabilities. Beneficiary does not assume any obligations or duties of Grantor under the Permits, Contracts, and Plans unless and until Beneficiary shall have given Grantor written notice that it is exercising its right to complete or cause the completion of construction on the Property in accordance with the terms of the Loan Documents. If Beneficiary does not directly undertake to complete development or construction of the Property, Beneficiary may assign such Permits, Contracts, and Plans to, and such obligations and duties of Grantor in connection with the Permits, Contracts, and Plans shall be assumed by, the person or entity designated by the Beneficiary for the purpose of completing such development or construction, and Beneficiary shall have no liability whatsoever for the performance of any such obligations and duties.

6.3 Representations and Warranties of Grantor. Grantor represents and warrants to Beneficiary that:

6.3.1 No Prior Assignments. There have been no prior assignments of its rights, title, and interest in, to, and under the Permits, Contracts, and Plans;

6.3.2 Authority. Grantor has full power and authority to assign its rights, title, and interest in, to, and under the Permits, Contracts, and Plans to Beneficiary and no consents or approvals of any other person or entities are necessary in order for Grantor to validly execute, deliver, and perform this assignment; and

6.3.3 No Defaults or Modifications. All covenants, conditions, and agreements set forth in the Permits, Contracts, and Plans have been performed as required as of the date hereof and neither Grantor nor any other party is in default thereunder. Grantor shall not amend or modify any of the terms and conditions of the Permits, Contracts, and Plans without the prior written approval of Beneficiary, nor shall Grantor assign, transfer, mortgage, or otherwise convey or encumber any of its rights, title, or interest in, to, or under the Permits, Contracts, and Plans so long as any of Grantor's obligations under the Loan Documents remain unfulfilled.

6.4 Attorney-in-Fact. Grantor hereby irrevocably constitutes and appoints Beneficiary as its attorney-in-fact, upon the occurrence of any defaults hereunder or under any of the other Loan Documents, to demand, receive, and enforce any and all of Grantor's rights under and with respect to the Permits, Contracts, and Plans, and to perform any and all acts with respect to the Permits, Contracts, and Plans that Beneficiary deems necessary or desirable with the same force and effect as if performed by Grantor in the absence of this assignment.

6.5 Assignment for Security. This assignment is for security purposes only. Beneficiary shall have no right pursuant to this assignment to enforce Grantor's rights with respect to the Permits, Contracts, and Plans until Grantor shall be in default under any of its obligations to Beneficiary pursuant to this Deed of Trust or any of the other Loan Documents. On the occurrence of any such default Beneficiary, without effecting any of its rights or remedies against Grantor under any other instrument,



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document, or assignment, may exercise its rights under this assignment or in any other manner permitted by applicable law, and in addition, Beneficiary shall have and possess, without limitation, any and all rights and remedies of a secured party under the UCC or as otherwise provided by law.

**7. Nature of Property/Remedies.** Grantor and Beneficiary agree that the filing of a financing statement in the records having to do with personal property in connection with the Security Agreement provided herein shall never be construed as in any way derogating from or impairing the declaration and the stated intention of the parties hereto that the Property and all components thereof are, to the maximum extent possible, real property, subject to Beneficiary's right on default to exercise, in any manner permitted by applicable law, those remedies (a) available to Beneficiary under this Deed of Trust, (b) available to Beneficiary as a secured party under the provisions of the UCC, or (c) otherwise provided for by law or available in equity. Whenever Beneficiary's security shall be deemed to include personal property, Beneficiary shall be entitled to foreclose against such property in connection with and as a part of any judicial or nonjudicial proceeding against the real property secured hereby, the parties hereby acknowledging that such foreclosure constitutes a commercially reasonable method of selling such property, or, in Beneficiary's sole discretion and as permitted by applicable law, to pursue any and all other remedies afforded a secured party under the UCC or other applicable law. In case of a default hereunder, Grantor agrees to assemble all such property and make it available to the Trustee or Beneficiary as secured party at a place to be designated by such party that is reasonably convenient to all parties.

**8. Representations and Warranties.** To protect the security of this Deed of Trust and for the benefit of Beneficiary, Grantor does, for Grantor and for Grantor's successors and assigns, represent, covenant, warrant, and agree as follows:

**8.1 Warranty of Title.** That Grantor has good and marketable title to an indefeasible fee simple estate in all real property described herein subject only to such liens and encumbrances, if any, specifically described herein or otherwise accepted or approved by Beneficiary in writing; that Grantor owns all of the Property described herein free from liens, security interests, and encumbrances of any kind (other than those approved in writing by Beneficiary); that Grantor is vested with the right to convey all real property described herein to Trustee for the benefit of Beneficiary; and that no consent of other parties is required as a condition thereto. Grantor does hereby and will forever warrant and defend title to the Property herein conveyed and defend the validity and priority of the lien of this Deed of Trust against the claims and demands of all persons and parties;

**8.2 Commercial Instrument.** That this Deed of Trust is and will continue to be a commercial Deed of Trust and that the proceeds of the loan secured hereby will be used for business or commercial purposes other than agricultural, timber, grazing or farming purposes, and not for personal, family, or household purposes;

**8.3 Property Not Agricultural.** THE REAL PROPERTY IS NOT USED PRINCIPALLY FOR AGRICULTURAL PURPOSES;

**8.4 Legal Entity, Business, Etc.** That while any sums remain outstanding hereunder, Grantor will: (a) maintain its existence in the form under which it currently operates, and preserve in full force and effect all its rights and franchises having a material effect upon its business or the ownership of its properties; and (b) give prompt notice to Beneficiary of any material change in Grantor's business or financial position, any change in any location where Grantor's accounts and/or assets are to be maintained, the location of any new places of business of Grantor and the changing or closing of any of its existing places of business, and any change in Grantor's name; and



8.5 **No Subordinate Financing.** That this Deed of Trust shall be the only lien or encumbrance affecting the Property. Grantor agrees that there shall be no junior financing secured by the Property or any interest therein without Beneficiary's prior written consent.

**9. Maintenance and Inspection of Improvements.** Grantor shall maintain the buildings and other improvements now or hereafter located on the Property in a first-class condition and state of repair and shall not allow any material changes in the current use of the Property or its zoning without Beneficiary's consent. Grantor shall not cause, conduct, or permit any nuisance, nor commit or suffer any waste, shall promptly comply with all the requirements of federal, state, and municipal authorities and all other laws, ordinances, regulations, covenants, conditions, and restrictions respecting the Property or the use thereof; and shall pay all fees or charges of any kind in connection therewith. Grantor shall complete or restore promptly and in a workmanlike manner any building or improvement that may be constructed, damaged, or destroyed thereon, and pay when due all costs incurred therefor. Beneficiary and its employees and agents shall be entitled from time to time to enter on the Property (including the interior of any structures), at reasonable times and after reasonable notice, to inspect the Property, ascertain compliance with the Hazardous Substances warranties set forth below and other provisions of this Deed of Trust (including the right to take soil samples and conduct other reasonable tests and investigations), conduct appraisals to determine the value of the Property, or to perform any other act authorized hereunder. Costs incurred in obtaining such inspections, appraisals, tests, and other activities described above shall be part of the obligations secured hereby. Grantor will permit access to the Property and will fully cooperate with Beneficiary in this regard.

**10. Construction.** This Deed of Trust is given to secure a construction or land acquisition loan. Grantor agrees to commence and complete construction promptly and in accordance with the terms of the Loan Documents.

**11. Alterations.** No building or other improvement on the Property shall be structurally altered, removed, or demolished without Beneficiary's prior written consent, nor shall any fixture or chattel covered by this Deed of Trust and adapted to the proper use and enjoyment of the Property be removed at any time without such consent unless actually replaced by an article of equal suitability, owned by the Grantor.

**12. Hazardous Substances.** The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Deed of Trust, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99 499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901 et seq., or other applicable state or Federal laws, rules, or regulations adopted with respect to hazardous waste or substances. Except as disclosed to and acknowledged by Beneficiary in writing, Grantor represents and warrants to Beneficiary that: (a) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any hazardous waste or substance by any person on, under, or about the Property; (b) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Beneficiary in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance by any prior owners or occupants of the Property or (ii) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (c) Except as previously disclosed to and acknowledged by Beneficiary in writing, (i) neither Grantor nor any tenant,



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contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, or about the Property and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Grantor authorizes Beneficiary and its agents to enter upon the Property to make such inspections and tests as Beneficiary may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Beneficiary shall be for Beneficiary's purposes only and shall not be construed to create any responsibility or liability on the part of Beneficiary to Grantor or to any other person. *The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for hazardous waste.* Grantor hereby (a) releases and waives any future claims against Beneficiary for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any such laws, and (b) agrees to indemnify and hold harmless Beneficiary against any and all claims, losses, liabilities, damages, penalties, and expenses which Beneficiary may directly or indirectly sustain or suffer resulting from a breach of this section of the Deed of Trust or as a consequence of any use, generation, manufacture, storage, disposal, release or threatened release occurring prior to Grantor's ownership or interest in the Property, whether or not the same was or should have been known to Grantor. The provisions of this section of the Deed of Trust, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Beneficiary's acquisition of any interest in the Property, whether by foreclosure or otherwise.

**13. Insurance.** Grantor shall continuously maintain insurance, with premiums prepaid, on all of the Property, against loss, fire, and other hazards, casualties, and contingencies, and shall maintain liability insurance, all as may be required from time to time by the Beneficiary in such amounts and for such period of time, with loss payable clauses (without contribution) in favor of and in form satisfactory to Beneficiary, and shall provide Beneficiary at least thirty (30) days' notice prior to the expiration of any existing insurance. All insurance shall be carried in companies approved by Beneficiary. If Grantor shall fail for any reason to procure any such insurance at least fifteen (15) days prior to the expiration of any policy of insurance now or hereafter placed on the Property, Beneficiary may procure the same at Grantor's expense. The amount collected under any fire or other insurance policy may be applied by Beneficiary to any indebtedness secured hereby and in such order as Beneficiary may determine, or, at the option of Beneficiary, the entire amounts collected, or any part thereof, may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. In the event of foreclosure of this Deed of Trust or other transfer of title or assignment of the Property to Beneficiary in lieu of foreclosure, all right, title, and interest of Grantor in and to all policies of insurance required by Beneficiary shall inure to the benefit of and pass to the grantee of the Property.

**14. Payment of Liens and Taxes.** Grantor shall keep the Property free from construction liens of any kind and pay all taxes, assessments, and other charges that may be levied or assessed upon or against the Property before any part of such taxes, assessments, or other charges become past due or delinquent and promptly deliver receipts therefor to Beneficiary.

**15. Defense of Property.** Grantor shall appear in and defend any suit, action, or proceeding that might affect the value of this Deed of Trust, the Deed of Trust itself, or the rights and powers of Beneficiary or Trustee, including, without limitation, any condemnation or public improvement proceeding, and should Beneficiary or Trustee elect also to appear and defend any such action or proceeding, be made a party to such by reason of this Deed of Trust, or elect to prosecute such action as appears necessary to



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preserve said value, Grantor will, at all times, indemnify from and, on demand, reimburse Beneficiary or Trustee for any and all loss, damage, expense, or cost, including cost of evidence of title and attorneys' fees, arising out of or incurred in connection with any such suit, action, or proceeding.

**16. Beneficiary Authorized to Act.** Should Grantor fail to make any payment or to do any act as herein provided, Beneficiary or Trustee may, but without obligation to do so and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereunder: (a) make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof; (b) commence, appear in, and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (c) pay, purchase, contest, or compromise any encumbrance, charge, or lien that in the sole judgment of Beneficiary either appears to be prior or superior to this Deed of Trust; and, (d) in exercising any such power, incur any liability and expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title and reasonable attorneys' fees.

**17. Condemnation Proceeds.** In the event that all or any portion of the Property is taken under the right of eminent domain or condemnation, Beneficiary shall have the right, if it so elects; to require that all or any portion of the monies payable as compensation for such taking be paid to Beneficiary and applied by it first to any reasonable costs, expenses, and attorneys' fees, both in trial and appellate courts, necessarily paid or incurred by Beneficiary in such proceedings, and the balance applied upon the indebtedness secured hereby. Grantor further agrees, at its own expense, to take such actions and execute such instruments as shall be necessary to obtain such compensation.

**18. Actions by Trustee.** From time to time upon written request by Beneficiary, payment of fees, and presentation of this Deed of Trust and any note secured hereby for endorsement (in the case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, Trustee may (a) consent to the making of any map or plat of the Property; (b) join in granting an easement or creating any restriction thereon; (c) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge thereof; and (d) reconvey, without warranty, all or any part of the Property. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto," and the recitals therein of any matters of fact shall be conclusive proof of the truthfulness thereof.

**19. ADA/FHAA Compliance.** So long as this Deed of Trust remains outstanding, Grantor will, at its own cost and expense, in respect of the Property and in respect of Grantor's business activities at or within the Property: (a) comply with all requirements of the federal Americans with Disabilities Act (the "ADA") and the federal Fair Housing Amendments Act of 1988 (the "FHAA") and the rules and regulations promulgated thereunder (the "Rules"), to the extent applicable to Grantor's ownership, management, operation, leasing, use, construction, reconstruction, repair, remodeling, rehabilitation, or alteration of the Property or any part thereof; (b) immediately provide to Beneficiary written notice (and copies of) any and all notices of actual, potential, or alleged violations of the ADA, the FHAA, or the Rules and any and all governmental investigations or regulatory actions instituted or threatened against Grantor or the Property or Grantor's business activities at or within the Property regarding the ADA, the FHAA, or the Rules; and (c) furnish to Beneficiary, from time to time whenever reasonably requested by Beneficiary, a Compliance Assessment, in form and substance reasonably satisfactory to Beneficiary, prepared by an architect or engineer with skill, experience, and reputation acceptable to Beneficiary, in the field of compliance with the ADA or the FHAA, as applicable.

**20. Reappraisals.** Beneficiary shall have the right to obtain at Grantor's cost and expense reappraisals of the Property from any licensed or certified appraiser designated by Beneficiary, from time to



time (a) whenever such reappraisal may be required by any law, rule, or regulation applicable to the conduct of Beneficiary's business, or may be requested or directed by any governmental authority charged with the administration of such law, rule, or regulation or Beneficiary's compliance therewith, whether or not such request or direction has the force of law, or (b) whenever Beneficiary has reasonable cause to believe that the then-current loan-to-value ratio applicable to the loan or loans secured by the Property exceed the original loan-to-value ratio approved by Beneficiary with respect to such loan or loans, or (c) whenever reasonably deemed appropriate by Beneficiary following the occurrence or during the continuation of an Event of Default. Beneficiary may use the results of such reappraisal to evaluate and restructure such loan or loans if necessary in Beneficiary's reasonable discretion.

**21. Beneficiary's Expenditures.** If any action or proceeding is commenced that would materially affect Beneficiary's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Beneficiary on Grantor's behalf may (but shall not be obligated to) take any action that Beneficiary deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expenditures incurred or paid by Beneficiary for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Beneficiary to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Beneficiary's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Property also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Beneficiary may be entitled upon Default.

**22. Non-Waiver of Defaults.** The entering upon and taking possession of the Property, the collection of rents, issues, and profits, or the proceeds of fire and other insurance policies or compensation or awards for any kind of taking or damage of the Property, and the application or release thereof as provided in this Deed of Trust shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice of default. Further, by accepting payment of any sums secured hereby after their due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare the failure to pay such sums an Event of Default.

**23. Events of Default.** Each of the following circumstances shall constitute an event of default under this Deed of Trust (individually, an "**Event of Default**").

23.1 **Payment Default.** Failure to make any scheduled payment of principal, interest, or any required reserves under any note secured hereby, this Deed of Trust, or any of the other Loan Documents when due.

23.2 **Default Under Loan Documents.** Failure to make any payment required under any of the Loan Documents other than those identified in the preceding paragraph or to perform any other covenant, agreement or obligation under this Deed of Trust, or any of the other Loan Documents, or any breach of warranty or any material inaccuracy of any representation of Grantor thereunder, and the failure to cure such default within the stated cure period (or if none is stated, then failure to cure within thirty (30) days after Beneficiary's delivery of written demand to Grantor, or if such cure cannot be completed within such



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thirty (30) day period, failure by Grantor to commence the required cure within such thirty (30) day period, and thereafter to complete the cure within ninety (90) days after Beneficiary's delivery of such written demand);

23.3 Default on Obligations Secured by Property. Any failure to perform any obligation that is secured by any lien against or any interest in the Property, rights, or interests encumbered hereby or any portion thereof, regardless of whether such lien or interest is prior or subordinate to the Deed of Trust, and which default or failure to perform is not cured within any applicable grace period or which in any manner threatens the lien of this Deed of Trust;

23.4 Cross-Default. Any default by Grantor or an affiliate of Grantor under any obligations of Grantor or any such affiliate to Beneficiary now existing or hereafter undertaken (for purposes of this Section, an "affiliate" shall include (i) any entity that controls, is controlled by, or is under common control with Grantor; and shall also include (ii) any entity that owns in whole or in part, is owned by, or is under common ownership with Grantor);

23.5 Obligations to Third Parties. Any material default by Grantor under any loan or obligation owed to any third party;

23.6 Insolvency; Bankruptcy; Receivership. Any of the following shall occur with respect to the Property, the Grantor, or any successor to the Grantor's interest in the Property: (a) the institution of any proceeding for appointment of a receiver, liquidator, or trustee; (b) the institution of any proceeding for dissolution, liquidation, or similar relief; (c) the filing of a voluntary petition for bankruptcy or reorganization; (d) the filing of an involuntary petition for bankruptcy or reorganization that is not dismissed within sixty (60) days; or (e) Grantor is unable to pay Grantor's debts, respectively, as they become due;

23.7 Default Under Leases. Any default by Grantor under any lease affecting the Property, any termination of such lease, or any modification, surrender, or cancellation of such lease without Beneficiary's prior written consent;

23.8 Adverse Change. Any material adverse change in the Property, including, without limitation, actual or threatened removal, demolition, or impairment of the Property or any improvements thereon, or in the financial condition of Grantor as determined by Beneficiary in its sole discretion based on its review of the most current financial statement provided by such parties and the status of their respective real estate portfolios and other investments.

23.9 Impact on Use of Property. Any impending or proposed: (a) condemnation, (b) rezone, or (c) modification or enactment of any ordinances or regulations that could materially affect any improvements on the Property or the use or value thereof;

The waiver by Beneficiary of any Event of Default shall not constitute a waiver of any other or subsequent Event of Default.

**24. Acceleration Upon Default; Additional Remedies.** Upon any Event of Default, Beneficiary may, at notice to or demand upon Grantor, exercise any one or more of the following actions: declare all amounts secured by this Deed of Trust immediately due and payable; bring a court action to enforce the provisions of this Deed of Trust or any of the other Loan Documents; foreclose this Deed of Trust as a mortgage; cause any or all of the Property to be sold under the power of sale granted by this Deed of Trust in any manner permitted by applicable law; exercise Beneficiary's rights with respect to any



leases and rents; and/or exercise any or all of the other rights and remedies under this Deed of Trust and the other Loan Documents or available under law or in equity. To the extent permitted by law, every right and remedy provided in this Deed of Trust or afforded by law or equity or any other agreement between Beneficiary and Grantor may be exercised concurrently, independently, or successively, in any order whatsoever. Beneficiary may exercise any of its rights and remedies at its option without regard to the adequacy of its security.

**25. Foreclosure by Power of Sale.** Should Beneficiary elect to foreclosure by exercise of the power of sale herein contained, Beneficiary shall notify Trustee and request that Trustee proceed with all notices required by law.

**25.1 Notice of Default – Nonjudicial Sale.** Upon receipt of such notice from Beneficiary, Trustee shall cause to be recorded, published, and delivered to Grantor such notices as are required by law and by this Deed of Trust. Trustee shall, without demand on Grantor, after lapse of such time as may then be required by law and after recordation of the required notice of trustee's sale, at public auction to the highest bidder, for cash in lawful money of the United States payable at the time of sale, sell the Property, either as a whole, or in separate lots or parcels or items as Trustee shall deem expedient, and in such order as it may determine, upon any terms and conditions specified by Beneficiary and permitted by applicable law. The Property, real, personal and mixed, may be sold in one parcel. To the extent any of the Property sold by the Trustee is personal property, then Trustee shall be acting as the agent of the Beneficiary in selling such Property. Any person or entity permitted by law to do so may purchase at any sale. Upon any sale, Trustee will execute and deliver to the purchaser or purchasers a deed or deeds conveying the Property sold, but without any covenant or warranty, express or implied, and the recitals in the Trustee's deed showing that the sale was conducted in compliance with all the requirements of law shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrances for value. Any such non-judicial sale (or the acceptance of a deed-in-lieu of foreclosure) shall have no effect on the enforceability of the Indemnity Agreement and Guaranties, which shall remain as separate and distinct obligations from the Note and fully enforceable in accordance with their respective terms.

**25.2 Application of Sale Proceeds.** After deducting all costs, fees, and expenses of Trustee and of this trust, including costs of evidence of title in connection with the sale, Trustee shall apply the proceeds of sale to payment of: (a) all sums expended under the terms hereof, not then repaid, with accrued interest at the Default Rate provided in any note secured hereby; (b) all other obligations then secured hereby; and (c) the remainder, if any, to the person or persons legally entitled thereto in accordance with the law.

**25.3 Postponement of Sale.** Trustee may postpone the sale of all or any portion of the Property by public announcement at the time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement or subsequently noticed sale, and without further notice make such sale at the time fixed by the last postponement, or may, at its discretion, give a new notice of trustee's sale.

**25.4 Request for Notice.** Grantor hereby requests a copy of any notice of default and that any notice of trustee's sale hereunder, as well as any other written notifications required by other provisions hereof, be mailed to it at the address set forth in the first paragraph of this Deed of Trust.

**26. Foreclosure as Mortgage.** Should Beneficiary elect to foreclosure this Deed of Trust in the manner provided by law for the foreclosure of mortgages on real property, Beneficiary shall be entitled to



recover in such proceeding all costs and expenses incident thereto (including costs on appeal), including reasonable attorneys' fees (and attorneys' fees on appeal), in such amount as shall be fixed by the court. Beneficiary shall be entitled to possession of the Property during any redemption period allowed under the laws of the State of Washington. Any such judicial foreclosure (or the acceptance of a deed-in-lieu of foreclosure) shall have no effect on the enforceability of the Indemnity Agreement and Guaranties, which shall remain as separate and distinct obligations from the Note and fully enforceable in accordance with their respective terms.

**27. Appointment of Receiver.** If an Event of Default shall have occurred and be continuing, Beneficiary, as a matter of right and without notice to Grantor or anyone claiming under Grantor, and without regard to the then value of the Property or the interest of Grantor therein, shall have the right, to the extent permitted by applicable law, to apply to any court having jurisdiction to appoint a receiver or receivers of the Property, and Grantor hereby irrevocably consents to such appointment without bond, and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of Beneficiary in case of entry and shall continue as such and exercise all such powers until the date of confirmation of sale of the Property unless such receivership is sooner terminated.

**28. Remedies Not Exclusive.** Trustee and Beneficiary, and each of them, shall be entitled to enforce payment and performance of any obligations secured hereby and to exercise all rights and powers under this Deed of Trust, under any Loan Document or other agreement, or under any laws now or hereafter in force, notwithstanding some or all of the said obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, Deed of Trust, pledge, lien, guaranty, assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement, whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other security now or hereafter held by Trustee or Beneficiary, it being agreed that Trustee and Beneficiary, and each of them, shall be, to the extent permitted by applicable law, entitled to enforce this Deed of Trust and any other security now or hereafter held by Beneficiary or Trustee in such order and manner as they or either of them may in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute, or given by any of the Loan Documents to Trustee or Beneficiary, and either of them may pursue inconsistent remedies. The failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right.

**29. Appointment of Successor Trustee.** Beneficiary may, for any reason permitted by law, from time to time appoint a successor or successors to any Trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers, and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record which, when recorded in the office of the county clerk or recorder of the county or counties in which the Property is situated, shall be conclusive proof of proper appointment of the successor trustee.

**30. Duties of 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 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 such action or proceeding is brought by Trustee.



**31. Repayment of Beneficiary's Expenditures and Advances.** Grantor shall immediately pay, without demand by Beneficiary, all sums expended or advanced hereunder or under any of the other Loan Documents, and all costs incurred by Beneficiary or Trustee in enforcing or protecting their rights or interests hereunder or under any of the other Loan Documents (including, without limitation, attorneys' fees, accountants' fees, and any other costs or expenses whatsoever), with interest from the date of any such expenditure or advance at the Default Rate provided in any note secured hereby, and the same shall constitute advances made under this Deed of Trust and repayment thereof shall be secured hereby. This includes, without limitation, attorneys' fees and costs incurred by Beneficiary to protect its interests at trial and in any bankruptcy or appellate proceeding. If Grantor fails to pay any such expenditures, advances, costs, or expenses, together with interest thereon, Beneficiary may, in addition to the other remedies provided hereunder to the extent permitted by applicable law, at its sole discretion: (a) commence an independent action against Grantor for the recovery of such sums; and/or (b) advance any undisbursed loan proceeds to pay the same.

**32. Due on Sale or Encumbrance.** Grantor acknowledges and agrees that the obligations secured by this Deed of Trust are personal to Grantor and that Grantor's personal responsibility, financial condition, and control of the Property were material inducements on which Beneficiary relied in making its loan to Grantor. Grantor agrees that neither the Property nor any interest therein shall be encumbered, sold (by contract or otherwise), conveyed, leased, or otherwise transferred by Grantor, nor shall there be any change in (i) the ownership or control of more than 25% of Grantor's stock if Grantor is a corporation, (ii) the ownership or control of any general partnership interest in Grantor, if Grantor is a general or limited partnership, (iii) the ownership or control of any membership interest in Grantor if Grantor is a limited liability company, (iv) the ownership of any beneficial interests if Grantor is not otherwise a natural person(s), or (v) the majority ownership of stock or any general partnership or membership interest in any corporation, partnership or limited liability company that has an ownership interest in Grantor. Any such action without Beneficiary's prior written consent shall be deemed to increase Beneficiary's risk, and shall be an Event of Default hereunder. If Beneficiary elects in its sole discretion to consent to any such action, Beneficiary may condition its consent on such terms and conditions as Beneficiary may require, such as payment of a transfer review fee and/or assumption fee, and/or an increase in the interest rate on the obligations secured hereby. Beneficiary shall not be required to release the original obligor or any other party liable for such obligations.

**33. Partial Reconveyance.** Should the Loan Documents allow for the partial reconveyance from the encumbrance of the Deed of Trust of any portion of the Property upon the payment of a certain sum to Beneficiary ("**Partial Reconveyance**"), any such Partial Reconveyance shall be allowed only so long as the following additional conditions are met:

33.1 **No Defaults.** Grantor is not in default hereunder or under the terms of any of the Loan Documents;

33.2 **Legally Subdivided.** The Property has been legally subdivided into parcels or lots (or condominium units, if applicable) such that both (a) the portion of the Property to be reconveyed and (b) the portion of the Property remaining subject to the Deed of Trust are legally segregated properties capable of being transferred to third-party purchasers in accordance with the law;

33.3 **Access Unimpaired.** The Partial Reconveyance does not deny or unreasonably impair access to public roads and utilities for either the portion of the Property remaining subject to the Deed of Trust or the portion of the Property reconveyed;



33.4 **Identification of Property.** Grantor secures all necessary services of surveyors, engineers, and other consultants of any kind or nature whatsoever required in connection with the Partial Reconveyance in order to sufficiently identify the portion of the Property to be reconveyed and to enable the Trustee to complete the Partial Reconveyance; and

33.5 **Costs.** Grantor pays all costs incurred in connection with the Partial Reconveyance. Beneficiary shall have no responsibility for such costs and shall be reimbursed by Grantor for any costs incurred by Beneficiary.

34. **Indemnification by Grantor.** Grantor agrees to indemnify and hold Beneficiary and Trustee harmless from and against any and all losses, liabilities, suits, obligations, damages, costs, and expenses, including attorneys' fees and costs, that may be imposed on, incurred or paid by, or asserted against Beneficiary or Trustee by reason or account of: (a) any action by Grantor in connection with the Property; (b) any good faith and commercially reasonable exercise of any of the rights and remedies or performance of any of the duties of Trustee or Beneficiary under any of the Loan Documents; or (c) any other liability arising in any manner in connection with the Property other than as a result of the gross negligence or willful misconduct of Beneficiary or Trustee, and such obligation shall be secured by this Deed of Trust, except to the extent that it falls within the scope of any separate Indemnity Agreement that by its terms is not secured hereby. If any claim, action, or proceeding is brought against Beneficiary or Trustee that is the subject of the indemnity set forth in this paragraph, Grantor shall resist or defend against the same, if necessary in the name of the Trustee or Beneficiary, by attorneys for Grantor's insurance carrier or otherwise by attorneys approved by Beneficiary.

35. **Further Assurances.** Grantor, from time to time, within fifteen (15) days after request by Beneficiary, shall execute, acknowledge, and deliver to Beneficiary such additional security instruments, in form and substance satisfactory to Beneficiary, covering all property of any kind whatsoever owned by Grantor or in which Grantor has any interest which, in the reasonable opinion of Beneficiary, is essential to the operation of the Property covered by this Deed of Trust, and shall execute, acknowledge, and deliver any financing statement, renewal, affidavit, certificate, continuation statement, or other document as Beneficiary may reasonably request in order to perfect, preserve, continue, extend, or maintain Beneficiary's security interests under or the priority of this Deed of Trust. Grantor shall pay all costs in connection with the preparation, execution, recording, filing, and refiling of any such documents.

36. **Multiple Grantors.** If Grantor is comprised of more than one person or entity, then the term "**Grantor**" used herein shall refer to all such persons or entities collectively and to each such person or entity individually, such that all obligations, covenants, warranties, requirements, restrictions and other provisions of this Deed of Trust shall apply both collectively and individually, and each such person or entity shall be jointly and severally liable for all obligations secured by this Deed of Trust.

37. **Assignment.** Beneficiary may assign this Deed of Trust in whole or in part to any person and may grant participation in any of its rights under the Deed of Trust without notice and without affecting Grantor's liability under this Deed of Trust. In connection with any proposed assignment, participation, or similar arrangements, Beneficiary may make available to any person all credit and financial data furnished or to be furnished to Beneficiary by Grantor or any guarantor under the Loan Documents. Grantor may not assign the Deed of Trust to any person at any time, except in connection with a transaction approved in writing by Beneficiary under the terms of this Deed of Trust. Subject to such prohibitions against Grantor's assignment, this Deed of Trust shall inure to the benefit of and bind all of the parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors, and assigns.



38. **Applicable Law.** This Deed of Trust is made with reference to and is to be construed in accordance with the laws (without regard to the choice of law rules) of the State of Washington.

39. **Miscellaneous.** The term Beneficiary shall mean the holder and owner, including pledgee, of the obligations secured hereby, whether or not named as Beneficiary herein. In construing this Deed of Trust and whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural. This Deed of Trust may be executed in two or more counterparts, all of which will constitute one and the same instrument and lien.

40. **Disclosures/Disclaimers.** Beneficiary makes the following disclosures and disclaimers in connection with this Deed of Trust:

40.1 **Actions Solely for Benefit of Beneficiary.** Any and all subsequent purchasers of the Property, and any other parties acquiring an interest in the Property, are hereby put on notice that any inspection or approval of any part of any development, construction, renovation, or improvement of the Property by Beneficiary or any agent of Beneficiary shall be made exclusively for the benefit of Beneficiary, and Beneficiary makes no representations whatsoever to any third party acquiring any interest in the Property. Such third party shall have no rights of reliance upon any action taken by Beneficiary. Beneficiary makes no representations whatsoever to any third party as to the adequacy or legality of any action of Grantor and any action of Beneficiary is solely for the benefit of Beneficiary.

40.2 **Changes in Interest Rate.** One or more notes secured hereby contain provisions permitting (a) increases and decreases in the rate of interest provided in the note, and (b) increases and decreases in the periodic payments required under the note.

41. **Jury Waiver.** BENEFICIARY AND GRANTOR HEREBY WAIVE THE RIGHT TO ANY JURY TRIAL IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER BENEFICIARY OR GRANTOR AGAINST THE OTHER. IF THERE IS A LAWSUIT, GRANTOR, AT BENEFICIARY'S OPTION, AGREES TO SUBMIT TO THE JURISDICTION OF SPOKANE COUNTY, WASHINGTON.

42. **Notices to Grantor and Other Parties.** Any notice under this Deed of Trust shall be in writing and shall be effective when actually delivered or, if mailed, shall be deemed effective when deposited in the United States mail first class, registered mail, postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Beneficiary's address, as shown near the beginning of this Deed of Trust. For notice purposes, Grantor agrees to keep Beneficiary and Trustee informed at all times of Grantor's current address.



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UNOFFICIAL DOCUMENT

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.

DATED as of the day and year first above written.

**GRANTOR:**

Piazza Holdings, LLC,  
a Washington limited liability company

By *J. J. Piazza*  
John J. Piazza  
Its Managing Member

By *Dorothy A. Piazza*  
Dorothy A. Piazza  
Its Managing Member



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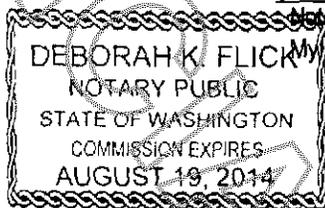
STATE OF WASHINGTON

COUNTY OF Skagit } ss.

I certify that I know or have satisfactory evidence that John J. Piazza is the person who appeared before me, and said person acknowledged that he/she signed this instrument, and on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Managing Member of Piazza Holdings, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 7/24/2014

[Signature]  
Notary Public for Washington  
My Commission Expires 8/19/14



STATE OF WASHINGTON

COUNTY OF Skagit } ss.

I certify that I know or have satisfactory evidence that Dorothy A. Piazza is the person who appeared before me, and said person acknowledged that he/she signed this instrument, and on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Managing Member of Piazza Holdings, LLC, a Washington limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 7/24/2014

[Signature]  
Notary Public for Washington  
My Commission Expires 8/19/14

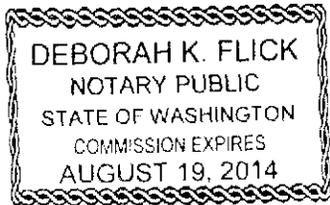


EXHIBIT A

LEGAL DESCRIPTION

That portion of the Southwest Quarter of the Northwest Quarter of Section 8, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Commencing at the Southwest corner of said Northwest Quarter;  
thence South 88°37'17" East along the South line thereof a distance of 40.05 feet to a point that is 40 feet when measured at right angles to the West line of said Northwest Quarter;  
thence North 01°23'26" West parallel with the West line of said Northwest Quarter a distance of 638.73 feet to a point 642 feet South of the North line of said Southwest Quarter of the Northwest Quarter;  
thence South 01°23'26" East a distance of 82.13 feet;  
thence continue South 01°23'26" East a distance of 87.25 feet;  
thence South 88°49'40" East parallel with the North line of the Southwest Quarter of the Northwest Quarter of said Section 8 a distance of 305.72 feet to the true point of beginning;  
thence North 01°23'26" West a distance of 150.00 feet to a point 661.36 feet South of the North line of said Southwest Quarter of the Northwest Quarter;  
thence South 88°49'40" East parallel with the North line of said Southwest Quarter of the Northwest Quarter a distance of 170 feet;  
thence South 01°23'26" East to a point 334 North of the South line of said Southwest Quarter of the Northwest Quarter;  
thence West along a line 334 feet North of and parallel with the South line of said Southwest Quarter of the Northwest Quarter to a point South 01°23'26" East from the point of beginning;  
thence North 01°23'26" West to the point of beginning.

Situated in Skagit County, Washington.



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