

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Terry Hendrickson
3021 NW 62nd St.
Seattle, WA 98107



201411070048

Skagit County Auditor

\$82.00

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CHICAGO TITLE

ACCOMMODATION RECORDING

620022385

DEED OF TRUST

GRANTOR: Sean Hendrickson and Kyoko Hendrickson, husband and wife, and Jacob Hendrickson and Laura Hendrickson, husband and wife, and Glenn Hendrickson

BENEFICIARY (lender): Gayle Grossen and Calvin Grossen, husband and wife, and Terry Hendrickson, a single man

GRANTEE (trustee): CHICAGO TITLE INSURANCE COMPANY, a Washington corporation

LEGAL DESCRIPTION (Abbreviated): 1/16th interest, Tr. B & all of L. 30, "Lake Cavanaugh Park", Vol. 7, Pgs. 63 & 64, Sect. 36 Twsp 33 N, Rng 6 E of W.M., recorded under Recording No. 626602, 9/24/1962, in Skagit County, Washington; Additional Legal(s) on page 2.

ASSESSOR'S TAX PARCEL ID #: 3940-000-030-0001

REFERENCE NOS OF DOCUMENTS RELEASED OR ASSIGNED: n/a

THIS DEED OF TRUST, made this 1st day of November, 2014, between Sean Hendrickson and Kyoko Hendrickson, husband and wife, and Jacob Hendrickson and Laura Hendrickson, husband and wife, and Glenn Hendrickson, GRANTOR (borrower), whose addresses are 15274 Densmore Ave N, Seattle, WA 98133, 6040 1st Ave NW, Seattle, WA 98107, and 17204 Smith Prairie Rd SE, Yelm, WA 98597, Chicago Title Insurance Company, a Washington corporation, GRANTEE (trustee), whose address is 701 5th Avenue, Suite 2300, Seattle, WA 98104, and Gayle Grossen and Calvin Grossen, husband and wife, and Terry Hendrickson, a single man, BENEFICIARY (lender), whose addresses are 23350 NW Phillips Rd., Hillsboro, OR 97124 and 3021 NW 62nd St., Seattle, WA 98107,

DEED OF TRUST - 1

READ AND CONTENT APPROVED

X *Gayle Grossen*
X *Calvin Grossen*
X *Sean Hendrickson*

EXHIBIT 3

WITNESSETH:

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

1/16th interest in Tract B and all of Lot 30, "Lake Cavanaugh Park" according to the recorded plat thereof in Skagit County, state of Washington, in Volume 7 of Plats, Pages 63 and 64, located in Section 36, Township 33 North, Range 6 East of the West Meridian, recorded under Recording Number 626602, 9/24/1962, in Skagit County, Washington;

ALSO:

Certificate of Water Rights, under Permit Number 13159, recorded in Skagit County, 10/22/1964, under Recording Number 657716, Volume 3, Page 181, Records of Skagit County, Washington.

More commonly known as 35252 Deer Creek Road, Mount Vernon, Washington 98274, which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

If all or any part of the property or any interest in it is sold or transferred without the Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Agreement.

This deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of: (1) the sum of Eleven Thousand Eight Hundred Dollars (\$11,800) with interest owed from Sean Hendrickson and Kyoko Hendrickson, husband and wife, and Jacob Hendrickson and Laura Hendrickson, husband and wife, to Gayle Grossen and Calvin Grossen, husband and wife, and (2) the sum of the sum of Eleven Thousand Eight Hundred Dollars (\$11,800) with interest owed from Sean Hendrickson and Kyoko Hendrickson, husband and wife, and Jacob Hendrickson and Laura Hendrickson, husband and wife, to Terry Hendrickson, in accordance with the terms of the Promissory Notes of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

The Grantors acknowledge that a breach of either of the Promissory Notes constitutes a breach of the other promissory note.

Glenn Hendrickson is not a Maker of the Promissory Notes, but has agreed to pledge his

DEED OF TRUST - 2

READ AND CONSENT
X Gayle Grossen
X Calvin Grossen
X Terry Hendrickson



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interest in the above stated property as collateral for the above stated Promissory Notes pursuant to the terms of this Deed of Trust.

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

1. 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 which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.

2. To pay before delinquent all lawful taxes and assessments upon 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. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. The Grantor does hereby covenant and agree to continuously provide such coverage naming the beneficiary as an additional named insured and providing a current Certificate of Insurance at all times. The said insurance shall be in such insurance companies as the Beneficiary may approve, and have a loss payable first to the Beneficiary as its interest may appear, and then to the Grantor. The said insurance policy shall insure the buildings and permanent improvements to their full replacement value and the deductible shall not be more than Ten Thousand Dollars (\$10,000). 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.

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 obligation 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,

DEED OF TRUST - 3

READ AND CONVEY APPROVED
X *[Signature]*
X *[Signature]*
X *[Signature]*



liens, encumbrances or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

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

2. 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.

3. The 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 the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, 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.

5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property 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.

6. 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.

DEED OF TRUST - 4

READ AND CONFIRM APPROVAL

X *[Signature]*
X *[Signature]*
X *[Signature]*



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7. In the event of the 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.

8. 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.

WITNESS the hand(s) and seal(s) of the Grantor(s) on the day and year first above written.


Sean Hendrickson


Kyoko Hendrickson


Jacob Hendrickson





Laura Hendrickson

ACKNOWLEDGED AND CONSENTED TO:


Glenn Hendrickson

DEED OF TRUST - 5

READ AND CONSENT TO APPOINTMENT

X 
X 
X 



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7. In the event of the 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.

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WITNESS the hand(s) and seal(s) of the Grantor(s) on the day and year first above written.

Sean Hendrickson

Kyoko Hendrickson

Jacob Hendrickson

Laura Hendrickson

ACKNOWLEDGED AND CONSENTED TO:



Glenn Hendrickson

DEED OF TRUST - 5



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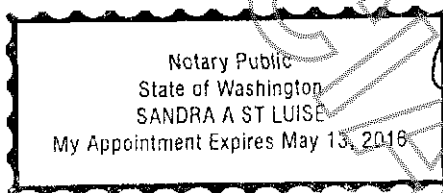
STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this day personally appeared before me **Sean Hendrickson and Kyoko Hendrickson**, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 1st day of November, 2014.



Sandra A. St. Luse
Notary Public in and for the State of
Washington.
My Commission expires: May 13, 2016

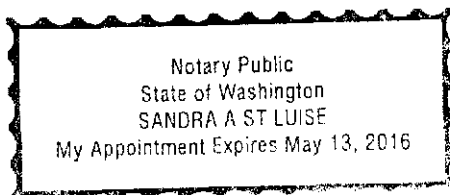
STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this day personally appeared before me **Jacob Hendrickson and Laura Hendrickson**, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 1st day of November, 2014.



Sandra A. St. Luse
Notary Public in and for the State of
Washington.
My Commission expires: May 13, 2016

DEED OF TRUST - 6

READ AND CONSENT APPROVED

X [Signature]
X [Signature]
X [Signature]



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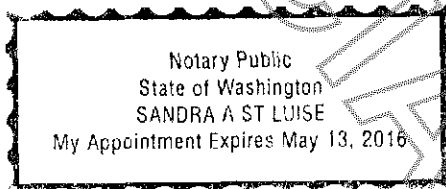
STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this day personally appeared before me Sean Hendrickson and Kyoko Hendrickson, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 1st day of November, 2014.



Sandra A St Luse
Notary Public in and for the State of
Washington.

My Commission expires: May 13, 2016

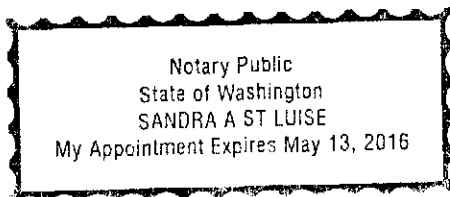
STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this day personally appeared before me Jacob Hendrickson and Laura Hendrickson, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 1st day of November, 2014.



Sandra A St Luse
Notary Public in and for the State of
Washington.

My Commission expires: May 13, 2016

DEED OF TRUST - 6

READ AND CONTENTS APPROVED:
[Signature]
[Signature]
[Signature]



\$82.00

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this day personally appeared before me **Glenn Hendrickson**, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this ____ day of _____, 2014.

Notary Public in and for the State of
Washington.

My Commission expires: _____

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

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 _____, 20____.

DEED OF TRUST - 7

READ AND CONTENT APPROVAL
X *[Signature]*
X *[Signature]*
X *[Signature]*



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