

Filed for Record at the Request of:

Chmelik Sitkin & Davis P.S.  
1500 Railroad Avenue  
Bellingham, WA 98225



201503250020

Skagit County Auditor \$76.00  
3/25/2015 Page 1 of 4 8:47AM

**DEED OF TRUST**

Grantor(s): PORT OF ANACORTES, a Washington municipal corporation  
Grantee(s): TS ANACORTES ENTERPRISES, LLC  
Legal Description: LOTS 1-20, BLK 31, ANACORTES  
Tax Parcel No(s): P55040, P55039, P55038, P55037, P55036, P55035  
150939-SAE

THIS DEED OF TRUST, made this 23<sup>rd</sup> day of March, 2015, by and between Grantor: **PORT OF ANACORTES**, a Washington municipal corporation, whose address is 100 Commercial Avenue, Anacortes, Washington 98221; Trustee: **CJ SERVICES CORPORATION**, a Washington corporation, whose address is 1500 Railroad Avenue, Bellingham, Washington 98225; and Beneficiary: **TS ANACORTES ENTERPRISES, LLC**, a Washington limited liability company, whose address is 202 Commercial Avenue, Anacortes, Washington 98221.

**Land Title and Escrow**

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

Lots 1-20 of Block 31, Map of Anacortes, According to the Plat thereof recorded in Volume 2 of Plats, pages 4 -7, records of Skagit County, Washington;

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

This Deed of Trust is for the purpose of securing payment of the Promissory Note executed on an even date herewith.

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 insurance policy shall name Beneficiary as an additional insured. Grantor shall provide a certificate of title insurance or other satisfactory proof of insurance to Beneficiary. Such insurance shall be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary as its interest may appear and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

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, 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 Promissory Note secured hereby, shall be added to and become a part of the debt secured by 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 thereof 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, or its authorized agent 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 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 purchasers and encumbrances for value.

6. The obligation owed under the Promissory Note secured by this Deed of Trust shall be paid in full upon sale of the property by Grantor.

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

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

9. Should Beneficiary retain the services of an attorney to enforce any provision herein the prevailing party shall be obligated to pay the attorneys' fees and costs incurred therein.

10. This Deed of Trust applies to, insures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, successors, and assigns. The term "Beneficiary" shall mean TS Anacortes Enterprises, LLC, or its successors or assigns.

**PORT OF ANACORTES**



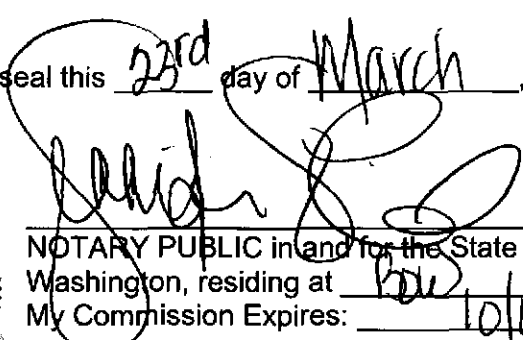
By: John Hachey  
Its: Interim Executive Director

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

I certify that I know or have satisfactory evidence that **JOHN HACHEY** is the person who appeared before me and on oath acknowledged that he signed this instrument, that he was authorized to execute this instrument, and acknowledged it as the Interim Executive Director of the **PORT OF ANACORTES** to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this 23<sup>rd</sup> day of March, 2015.



  
NOTARY PUBLIC in and for the State of  
Washington, residing at PO  
My Commission Expires: 10/01/18