

When recorded return to:
David L. Johnson
9867 Samish Island Road
Bow, WA 98232



Skagit County Auditor
6/29/2015 Page

1 of 4 \$76.00
9:08AM

Filed for Record at Request of
Land Title and Escrow
Escrow Number: 151809-OAE ✓

Grantor: Robert E. Mercer and Rohanna Mercer
Grantee: David L. Johnson
Abbreviated Legal: Ptn SE SE 26-35-9 E W.M.
Tax Parcel Number(s): P44717/350926-0-024-0002

DEED OF TRUST

(For use in the State of Washington only)

Land Title and Escrow

THIS DEED OF TRUST, made this 23rd day of June, 2015 between ROBERT E. MERCER AND ROHANNA MERCER, HUSBAND AND WIFE, GRANTORS, whose address is P. O. Box 191 , Rockport, WA 98283, Land Title and Escrow, TRUSTEE, whose address is 111 East George Hopper Road, P.O. Box 445, Burlington, WA 98233 and DAVID L. JOHNSON, A MARRIED MAN AS HIS SEPARATE PROPERTY BENEFICIARY, whose address is 9867 Samish Island Road, Bow, WA 98232.

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

For Full Legal See Attached Exhibit "A"

SUBJECT TO: As an express condition of the Beneficiary making the loan secured by this Deed of Trust, Grantor shall not further encumber, pledge, mortgage, hypothecate, place any lien, charge or claim upon, or otherwise give as security the property or any interest therein nor cause or allow by operation of law the encumbrance of the Trust Estate or any interest therein without the written consent of Beneficiary even though such encumbrance may be junior to the encumbrance created by this Deed of Trust. Encumbrance of the property contrary to the provisions of this provision shall constitute a default and Beneficiary may, at Beneficiary's option, declare the entire balance of principal and interest immediately due and payable, whether the same be created by Grantor or an unaffiliated third party asserting a judgment lien, mechanic's or materialmen's lien or any other type of encumbrance or title defect.

which real property is not used principally for agricultural 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 of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantors herein contained in this Deed of Trust, and payment of the sum of NINETY ONE THOUSAND NINE HUNDRED AND NO/100 Dollars (\$91,900.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications, and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to Grantors, or any of the Grantors' successors or assigns, together with interest thereon at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on July 10, 2035

To protect the security of this Deed of Trust, Grantors covenant and agree:

1. To keep the property in good condition and repair; to permit no waste of the property; to complete any building, structure, or improvement being built or about to be built on the property; to restore promptly any building, structure, or improvement on the property 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 continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and 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 Grantors. The amount collected under any insurance policy may be applied upon any indebtedness secured by this Deed of Trust 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 Grantors 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.

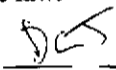
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantors fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property. Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.

7. **DUE ON SALE: (OPTIONAL - Not applicable unless initialed by Grantor and Beneficiary)** The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.



Grantor (Initials)



Beneficiary (Initials)

IT IS MUTUALLY AGREED THAT:

8. 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 by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.

9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

10. 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 Grantors and the Beneficiary or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

11. Upon default by Grantors in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. 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; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantors had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantors 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.

13. 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.

14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, 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 an action or proceeding in which Grantors, Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

15. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/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.

16. ADDITIONAL TERMS AND CONDITIONS: (check one)

a. NONE

OR

b. As set forth on the attached "Exhibit A" which is incorporated by this reference.

(Note: If neither "a" nor "b" is checked, then option "a" applies)

Dated: June 23, 2015

[Signature]
Robert E. Mercer

[Signature]
Rohanna Mercer

State of Washington
County of Skagit } SS:

I certify that I know or have satisfactory evidence that Robert E. Mercer and Rohanna Mercer the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument and acknowledge it to his/her/their free and voluntary act for the be uses and purposes mentioned in this instrument.

Dated: 6/26/2015



[Signature]
Jennifer J. Lind
Notary Public in and for the State of Washington
of Bow
Residing at: _____
My appointment expires: 10/01/2018

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 _____,

Exhibit "A"

The East 145 feet of the following described tract of land:

Part of Government Lot 1, Section 26, Township 35 North, Range 9 East, W.M., described as follows:

**Beginning at a point on the East line of said Government Lot, where the North line of the county road (as said county road existed on December 8, 1917) intersects the same;
thence South 65°13' West along said North line of the county road, a distance of 342.7 feet;
thence North 25°17' West 311 feet;
thence North 91°31' East 451.2 feet;
thence South 204 feet to the point of beginning;**

EXCEPT that portion thereof conveyed to Skagit County for road by deed recorded under Auditor's File No. 610800, records of Skagit County, Washington; and

ALSO EXCEPT that portion thereof, if any, lying within the boundaries of the State Highway right of way.

TOGETHER WITH Part of Government Lot 1, Section 26, Township 35 North, Range 9 East, W.M., described as follows:

**Beginning at a point on the East line of said Government Lot, where the North line of the county road (as said county road existed December 8, 1917) intersects the same;
thence South 65°13' West along the North line of said road to a point that is 145 feet West of (measured perpendicularly) the East line of said Government Lot, which is the true point of beginning of this description;
thence from said point of beginning run North 40 feet;
thence Southwesterly in a straight line to a point on the North line of the said county road which is 20 feet Westerly along said North line of the road, from the point of beginning;
thence Northeasterly along the road 20 feet to the point of beginning.**

ALSO TOGETHER WITH that portion of Government Lot 1, Section 26, Township 35 North, Range 9 East, W.M. described as follows:

**Beginning at the Northeast corner of Tract A as shown on survey filed in Volume 14 of Surveys, page 80, under Auditor's File No. 9305060112, records of Skagit County, Washington;
thence South 81°27'30" West along the North line of said Tract A, a distance of 184.81 feet;
thence South 43°09'57" East, a distance of 214.06 feet to the Northerly line of Tract B as shown on said survey;
thence North 46°50'03" East along said Northerly line of Tract B, a distance of 50.00 feet to the East line of said Tract A and the Northerly most corner of Tract B;
thence North 00°03'30" West along the East line of Tract A, a distance of 149.37 feet to the point of beginning of this description.**

Situate in the County of Skagit, State of Washington.