



201603310001

UNOFFICIAL DOCUMENT

Document Title: Deed of Trust

Reference Number:

Grantor(s): additional grantor names on page ___

- 1. Gary M. Grimmes
- 2. Susan C. Grimmes

Grantee(s): additional grantee names on page ___

- 1. First American Title
- 2. Conroy Supply Inc

Abbreviated legal description: full legal on page(s) ___

Lots 45-46 Dewey Beach Add No 2

Assessor Parcel / Tax ID Number: additional tax parcel number(s) on page ___

P 65038

I, LUCAS FREEMAN, am hereby requesting an emergency non-standard recording for an additional fee provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document. Recording fee is \$74.00 for the first page, \$1.00 per page thereafter per document. In addition to the standard fee, an emergency recording fee of \$50.00 is assessed. This statement is to become part of the recorded document.

Signed

Dated 3/31/16

UNOFFICIAL DOCUMENT

Filed for Record at the Request of,
And When Recorded Return to:
Convoy Supply Inc.
680 Seneca Rd.
Eugene, OR 97402

Parcel No. - P65038

DEED OF TRUST

This DEED OF TRUST, made as of the 22nd day of March, 2016, between:

Trustor: Gary M. Grimnes and Susan C. Grimnes whose address is 4815 Sharpe Road, Anacortes, WA 98221;

Trustee: First America Title Company of Bellingham, whose address is 11 Bellwether Way #301, Bellingham, WA 98225; and

Beneficiary - Convoy Supply Inc. whose address is 2101 Woburn Street, Bellingham, WA 98229.

WITNESSETH:

Trustor hereby conveys to Trustee, in trust, with power of sale, the real property located at 6014 Central Ave., Anacortes, Skagit County, Washington, legally described as:

LOTS 45 AND 46 "DEWEY BEACH ADDITION NO. 2", AS PER PLAT RECORDED IN VOLUME 6 OF PLATS, PAGE 13, RECORDS OF SKAGIT COUNTY, WASHINGTON. SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

Parcel Number: P65038

This real property is not used for agricultural or farming purposes. The property includes all the tenements and appurtenances now or hereafter belonging or in any way appertaining, and the rents, issues, and profits, together with all improvements and fixtures now or hereafter attached to said

Property.

This Deed of Trust is granted for the purpose of securing payment by Trustor to Beneficiary for existing debt and for all materials and supplies purchased hereinafter, as outlined in the Promissory Note signed on even date.

To protect the security of this Deed of Trust, Trustor 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 aggregate amount not less than the total debt secured by this Deed of Trust and other prior liens. All policies shall be in such companies as the Beneficiary may approve and have loss payable to the Beneficiary as Beneficiary's interest may appear and then to the Trustor. 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 Trustor 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 the 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 incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred.

6. Should Trustor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property herein 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 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 Beneficiary's 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 Trustor 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 Trustor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, which default other than payment is not cured within thirty (30) days after written notice to Trustor from the Beneficiary specifying the default, or if it cannot be cured within said thirty (30) days, consistently and diligently pursued thereafter until cured, all sums secured hereby shall become due and payable at the option of the Beneficiary. In such event and upon written request of the Beneficiary, Trustee or its authorized agent shall sell the property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except the Trustee may bid at the Trustee's sale. The 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 fees; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

5. The Trustee shall deliver to the purchaser at the sale a Trustee's deed, without warranty, which shall convey to the purchaser the interest in the property which Trustor had or had the power to convey at the time of Trustor's execution of this Deed of Trust, and such as Trustor may have acquired thereafter. The 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 the bona fide purchasers 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.

7. In the event of the death, incapacity, disability or resignation of the Trustee, Beneficiary may appoint, in writing, a successor Trustee, and upon the recording of such appointment in the 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 Trustor, Trustee or Beneficiary shall be parties 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, successors and assigns. The term "Beneficiary" shall mean the holder/holders and owner/owners of the Note secured hereby, whether or not named as Beneficiary herein.

9. Trustor shall not make any material structural changes or alterations to the property securing this Deed of Trust which would in any way impair or diminish the value of the security during

the term of the Note without prior written consent of Beneficiary, which consent shall not be unreasonably withheld; provided, however, that Trustor shall not be required to obtain the consent of the Beneficiary to make ordinary and customary tenant improvements to the commercial space located within the property.

10. Upon any default in payment exceeding thirty (30) days by Trustor of the Note, and charges due under this Deed of Trust, or under any other documents signed in connection with the closing of the sale to Trustor, Beneficiary shall have the right, provided prior written notice was given to Trustor, to take possession of and manage the property and collect all rents, receipts, income and profits ("rents") thereof, including amounts past due and unpaid, and apply the net proceeds, over and above Beneficiary's costs, against the balance due under the Note and the Deed of Trust, and Trustor hereby assigns to Beneficiary such rents in the event of such default. In furtherance of this right, Beneficiary may require any tenant or other user of the Property to make payments of rent or use fees directly to Beneficiary. If the rents are collected by Beneficiary, then Trustor irrevocably designates Beneficiary as Trustor's attorney-in-fact to endorse instruments received in payment thereof in the name of Trustor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Beneficiary in response to Beneficiary's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Beneficiary may exercise its rights under this paragraph either in person, by agent, or through a receiver, and the exercise of such rights shall be in addition to any other rights or remedies allowed hereunder or provided by law.

GARY M. GRIMNES

 Dated: 3/22/16
_____ Personally

SUSAN M. GRIMNES

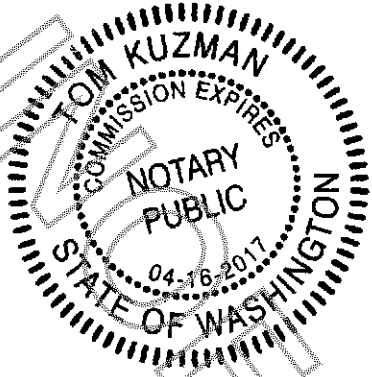
 Dated: 3/22/16
_____ Personally

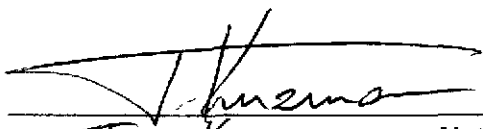
STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this 22 day of March, 2016, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Gary M. Grimnes and Susan C. Grimnes, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

Witness my hand and official seal hereto affixed the day and year first above written.

UNOFFICIAL DOCUMENT



By: 
Tom Kuzman Notary print
NOTARY PUBLIC in and for the State of Washington.
My Commission expires: 4/16/2017

REQUEST FOR RECONVEYANCE

TO THE TRUSTEE:

The undersigned is the holder of the note or notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, has been fully paid and satisfied. Upon payment to you of any sums owing to you under the terms of this Deed of Trust, you are hereby directed to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Date _____

**PROMISSORY NOTE with CONFESSION TO JUDGMENT
which includes misappropriation confession in accordance to Article 3**

IMPORTANT NOTE

THIS INSTRUMENT CONTAINS A CONFESSION OF JUDGMENT PROVISION WHICH CONSTITUTES A WAIVER OF IMPORTANT RIGHTS YOU MAY HAVE AS A DEBTOR AND ALLOWS THE CREDITOR TO OBTAIN A JUDGMENT AGAINST YOU WITHOUT ANY FURTHER NOTICE.

\$121,487.27 (plus 7% interest)

March 22nd, 2016

1. FOR VALUE RECEIVED, the undersigned SAVAGE ROOFING, INC. and GARY M. GRIMNES and SUSAN C GRIMNES; jointly and severally, (collectively "SAVAGE ROOFING") promise to pay to the order of Convoy Supply Inc., ("Convoy") at 2101 Woburn Street, Bellingham, WA 98229, or at such other address as Convoy hereby shall direct in writing, the principal sum One Hundred Twenty One Thousand Four Hundred Eighty Seven 27/100 Dollars (\$121,487.27), plus 7% interest per annum, until paid in full. Principal and interest shall be payable in lawful money of the United States.

2. This Note shall be paid in monthly installments; commencing on March 20th and by the 20th every month thereafter with a balloon payment of the remaining balance due on or before February 20, 2017. A minimum monthly installment amount of \$ 10,000.00 will be paid for the months of March, April, May, June, July, August, September, October, November, December 2016 and January 2017 with a final balloon payment of \$ 15,457.37 that will be paid on or before February 20, 2017.

3. If the amount due under this Note remains due for five (5) calendar days or more after payment is due, the full outstanding balance of this Note become shall become due and shall incur a default interest rate of eighteen percent (18%) per annum.

4. All payments received shall be applied first to any late or collection charges, second to accrued interest and thereafter to principal.

5. All or a portion of the amounts due under this Note may be prepaid without penalty.

6. If the Holder hereof refers this Note to an attorney to enforce the terms of this Note, or for any alleged default or breach by Savage Roofing, then Savage Roofing promises to pay all costs thereof, including attorney's fees, whether or not litigation should actually be commenced.

7. This Note shall be construed in accordance with the internal laws of the state of Washington. Venue of any action on this Note shall be in Whatcom County, Washington.

8. Savage Roofing, and Gary M. Grimnes and Susan C Grimnes; jointly and severally hereby gives Convoy and/or it's attorney full power to appear and present this note before the Clerk of the Circuit Court of Whatcom County, Washington, at any time after maturity or default on any of the installments hereof and to waive the issuance and service of process and to confess judgment against him in favor of the payee or holder hereof for the amount of money due plus interest and costs, plus attorney's fee's, less credit for payments made.

PROMISSORY NOTE with CONFESSION TO JUDGMENT CONT'

FOR CORPORATE DEBTOR:

(Name of Corporation)

BY: _____
(Name Printed)

INDIVIDUALS:

[Signature]
Name Printed GARY GRIMNES

[Signature]
Name Printed SUSAN GRIMNES

FOR INDIVIDUAL DEBTORS:

STATE OF Washington
COUNTY OF: Skagit

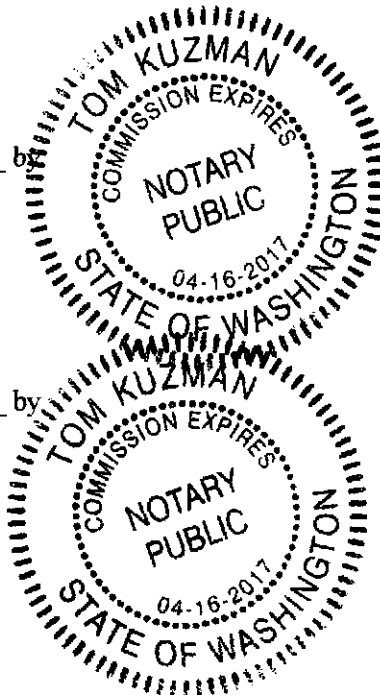
The foregoing instrument was acknowledged before me this 22 day of March, 2016 by

Gary Grimnes
Notary Public [Signature]
My Commission Expires: 4/16/2017

STATE OF Washington
COUNTY OF Skagit

The foregoing instrument was acknowledged before me this 22 day of March, 2016 by

Susan Grimnes
Notary Public [Signature]
My Commission Expires: 4/16/2017



FOR CORPORATE DEBTORS:

STATE OF _____
CITY/COUNTY OF: _____

The foregoing instrument was acknowledged before me this _____ day of _____, 20____ by _____ of _____ a _____ corporation, on behalf of the corporation.

Notary Public: _____
My Commission Expires: _____

**CONTRACT INTEREST CHANGE 2016 / 2017
SAVAGE ROOFING**

DEBT: 121,487.27

Payment:	10,000.00
Principle Amount:	111,487.27
Interest Rate:	7.00%
Number of Days:	31
Month:	March 2016

Payment:	10,000.00
Principle Amount:	101,487.27
Interest Rate:	7.00%
Number of Days:	30
Month:	April

Payment:	10,000.00
Principle Amount:	91,487.27
Interest Rate:	7.00%
Number of Days:	31
Month:	May

Payment:	10,000.00
Principle Amount:	81,487.27
Interest Rate:	7.00%
Number of Days:	30
Month:	June

Payment:	10,000.00
Principle Amount:	71,487.27
Interest Rate:	7.00%
Number of Days:	31
Month:	July

Payment:	10,000.00
Principle Amount:	61,487.27
Interest Rate:	7.00%
Number of Days:	31
Month:	August

Payment:	10,000.00
Principle Amount:	51,487.27
Interest Rate:	7.00%
Number of Days:	30
Month:	September

Payment:	10,000.00
Principle Amount:	41,487.27
Interest Rate:	7.00%
Number of Days:	31
Month:	October

Payment:	10,000.00
Principle Amount:	31,487.27
Interest Rate:	7.00%
Number of Days:	30
Month:	November

Payment:	10,000.00
Principle Amount:	21,487.27
Interest Rate:	7.00%
Number of Days:	31
Month:	December

Payment:	10,000.00
Principle Amount:	11,487.27
Interest Rate:	7.00%
Number of Days:	31
Month:	January 2017

Calculation:

111,487.27	X	7.00%	/	365 days	X	31 days	=	662.81
101,487.27	X	7.00%	/	365 days	X	30 days	=	583.90
91,487.27	X	7.00%	/	365 days	X	31 days	=	543.91
81,487.27	X	7.00%	/	365 days	X	30 days	=	468.83
71,487.27	X	7.00%	/	365 days	X	31 days	=	428.01
61,487.27	X	7.00%	/	365 days	X	31 days	=	368.55
51,487.27	X	7.00%	/	365 days	X	30 days	=	298.23
41,487.27	X	7.00%	/	365 days	X	31 days	=	246.85
31,487.27	X	7.00%	/	365 days	X	30 days	=	181.16
21,487.27	X	7.00%	/	365 days	X	31 days	=	127.75
11,487.27	X	7.00%	/	365 days	X	31 days	=	88.29
TOTAL INTEREST:								3,970.10

PRINCIPAL OWED AT JAN 2017	11,487.27
ADD INTEREST	3,970.10
FINAL PAYMENT OWED FEB 2017	15,457.37