

When recorded return to:
Law Office of Mark D. Nelson
2727 Hollycroft Street, Suite 110
Gig Harbor, WA 98335



Skagit County Auditor

\$79.00

2/21/2018 Page

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5 10:51AM

Grantors: JHANDJK LLC, a Washington Limited Liability Company and
Jason R. Kitzman and Maria L. Kitzman, husband and wife.

Grantee: Ronald Wilhelmson Roth IRA Z138261

Trustee: Law Office of Mark D. Nelson, PLLC

Abb. Legal Description: PTN GOV LOT 1 SEC 6, TWN 34N, R4E

Assessors Number: 340406-0-146-0005 P23776

DEED OF TRUST

(For use in the State of Washington only)

THIS DEED OF TRUST, made this 30th day of January 2018, between JHANDJK LLC, a Washington Limited Liability Company, and Jason Kitzman and Maria L. Kitzman, husband and wife, as GRANTOR(S), whose address is 20654 Prairie Road, Sedro Wooley, WA 98284, and Law Office of Mark D. Nelson, PLLC, as TRUSTEE, whose address is 2727 Hollycroft Street, Suite 110, Gig Harbor, WA 98335, and Ronald Wilhelmson Roth IRA Z138261, as BENEFICIARY, whose address is 2328 Holly Bluff Ct., Gig Harbor, WA 98335.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Skagit County, Washington:

THAT PORTION OF GOVERNMENT LOT 1, SECTION 6, TOWNSHIP 34 NORTH, RANGE 4 EAST OF THE WILLAMETTE MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 80 FEET SOUTH OF AND 30 FEET WEST OF THE NORTHEAST CORNER OF THE SOUTH HALF OF THE NORTH HALF OF SAID LOT, THENCE WEST PARALLEL WITH THE NORTH LINE OF SAID LOT, 150 FEET, THENCE SOUTH 70 FEET, THENCE EAST PARALLEL WITH THE NORTH LINE OF SAID LOT, 150 FEET TO A POINT 30 FEET WEST OF THE EAST LINE OF SAID LOT; THENCE NORTH 70 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PORTION THEREOF LYING EASTERLY OF

**A LINE 40 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE
NORTHEAST QUARTER OF SAID SECTION 6.**

Situated in Skagit County, Washington

Commonly known as: 735 S Burlington Blvd., Burlington, WA 98233

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.

This deed is for the purpose of securing performance of each agreement of Grantor(s) herein contained, and payment of the sum(s) of \$279,400.00 and \$128,710.83, with interest, in accordance with the terms of Amended and Restated Promissory Note(s) 1 and 2 of even date herewith, payable to Beneficiary or order, and made by Grantor(s), and all renewals, modifications, and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of his/her/their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

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. 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 Grantor(s). 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(s) 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(s) 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 note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.
7. **NO FURTHER ENCUMBRANCES: (OPTIONAL – Not applicable unless initialed by Grantor and Beneficiary.)** As an express condition of 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 a 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.

Grantor initials

Beneficiary initials

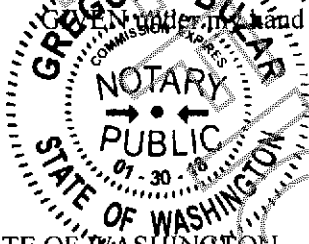
IT IS MUTUALLY AGREED THAT:

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(s) 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(s) 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; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

On this 30th day of January 2018, before me a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Jason R. Kitzman, to me known to be the individual who executed the within and foregoing instrument, and acknowledged to me that he signed the same as his voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the date first above mentioned.

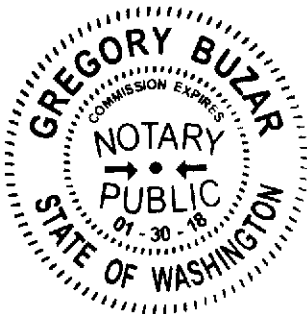


[Signature]
NOTARY PUBLIC in and for the State of Washington.
Residing at FOX ISLAND
My Commission expires: 1/30/2018

STATE OF WASHINGTON)
) ss.
COUNTY OF Pierce)

On this 30th day of January 2018, before me a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Maria L. Kitzman, to me known to be the individual who executed the within and foregoing instrument, and acknowledged to me that she signed the same as her voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal the date first above mentioned.



[Signature]
NOTARY PUBLIC in and for the State of Washington.
Residing at FOX ISLAND
My Commission expires: 1/30/2018