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09/15/2021 02:51 PM Pages: 1 of 5 Fees: \$208.50
Skagit County Auditor

After Recording Return To:

**Kinne Hawes
VANDEBERG JOHNSON & GANDARA, PS
1201 Pacific Avenue, Suite 1900
Tacoma, WA 98402-4391**

Grantor(s): STEVEN SHANKS aka STEVEN B. SHANKS AND JULIE A. SHANKS
Grantee(s) (Lender): FAST BREAK OPERATIONS, INC.
Grantee(s) (Trustee): LAND TITLE AND ESCROW COMPANY, a Washington corporation
Reference Number(s) of Documents assigned or released: N/A
Legal Description (abbreviated): LOTS 24A AND 25A, CAVANWOOD, SUB. NO. 1
Additional legal(s) on Page 1
Assessor's Property Tax Parcel/Account Numbers: 38750000240107 P64044 AND 38750000250106 P 64046

**DEED OF TRUST
Second Position**

THIS DEED OF TRUST made this 16th day of September 2021 between **STEVEN SHANKS aka STEVEN B. SHANKS AND JULIE A. SHANKS, GRANTOR**, whose address is 22989 Osborne Drive, Mount Vernon WA 98274-8226, **LAND TITLE AND ESCROW COMPANY**, a corporation, **TRUSTEE**, and **FAST BREAK OPERATIONS, INC. ("FBO") AND D D D INVESTMENTS, LLC ("DDD") (FBO and DDD are jointly "BENEFICIARY")**, whose address is 9440 Old Highway 99 North Road, Burlington, Washington 98233-6810.

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

LOTS 24A AND 25A, "PLAT OF CAVANWOOD SUBDIVISION NO. 1," AS PER PLAT RECORDED IN VOLUME 6 OF PLATS, PAGE 33, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN SKAGIT COUNTY, STATE OF 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 performance of each agreement of Grantor herein contained, and payment of the sums of (a) Fifty Seven Thousand Five Hundred and No/100's DOLLARS (\$57,500.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to FBO or order, and made by Jitterbugs Espresso LLC ("Borrower"), and (b) One Hundred Ten Thousand and No/100's DOLLARS (\$110,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to DDD or order, and made by Borrower, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by either of FBO and DDD to Borrower or any of its/their successors or assigns, together with interest thereon at such rate as shall be agreed upon (all such amounts collectively, the "Loan").

Grantor acknowledges that Grantor has a financial interest in Borrower and that the Loan to Borrower will directly benefit Grantor. Grantor executes and delivers this Deed of Trust to provide a financial advantage and value to Grantor.

This Deed of Trust is subordinate to the Deed of Trust dated August 21, 2014, and recorded August 29, 2014, under Skagit County Number 201408290111 (the "First Position Deed of Trust"). A default under the First Position Deed of Trust shall also be a default under 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, \$167,500.00. All policies 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 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 as directed by 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 Borrower 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 applicable law, 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: (i) to the expense of sale, including a reasonable trustee's fee and attorney's fee; (ii) to the obligations secured by this Deed of Trust; (iii) the surplus, if any, shall be deposited with the clerk of the superior court of the county in which the sale took place to be distributed in accordance with law.

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 is conducted in compliance with all 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 power of sale conferred by this Deed of Trust 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 or disability or 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.

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 and owner of the note secured hereby, whether or not named as Beneficiary herein.

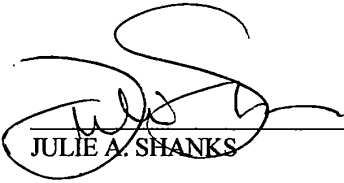
9. If the Property or any part thereof is sold, conveyed, leased, transferred, encumbered, or full possessory rights therein transferred without the prior written consent of Beneficiary, then Beneficiary may declare the entire remaining principal balance under this Deed of Trust immediately due and payable. This provision shall apply to each and every sale, transfer, conveyance or encumbrance regardless of whether or not Beneficiary has consented or waived its rights, whether by action or nonaction, in connection with any previous sale, transfer, conveyance or encumbrance, whether one or more.

10. Grantor shall pay when due all costs, fees and expenses incident to the property which are associated with a homeowner's or condominium owner's association, common area improvement and maintenance, and such similar expenses. Grantor further agrees to comply with all rules, regulations, covenants and restrictions of any homeowner's or condominium owner's association.

Signature Page Follows

GRANTOR:


 STEVEN SHANKS aka STEVEN
 B. SHANKS

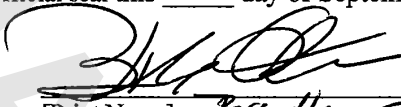

 JULIE A. SHANKS

STATE OF WASHINGTON)
) ss.
 County of Skagit)

On this day personally appeared before me Steven Shanks aka Steven B. Shanks, and Julie A. Shanks, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they executed said instrument as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 15 day of September, 2021.

For recording in the state of Washington,
 the Notarial Seal must be fully legible
 and cannot intrude into document margins.
 Please affix seal in the space provided.


 [Print Name] Bradley Sloan
 NOTARY PUBLIC in and for the State of
 Washington, residing at Mount Vernon
 My appointment expires: 6-28-2024

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