

When recorded return to:

Seventh Heaven LLC
2110 Greenview Ln.
Lynden, WA 98264

DEED OF TRUST**CHICAGO TITLE**
620049664

Grantor: DUKES HILL, L.L.C.,
a Washington limited liability company

Grantee: SEVENTH HEAVEN, LLC,
a Washington limited liability company

Abbreviated Legal: Portion Section 18, Township 35N, Range 5 E.W.M.
SE NW

Additional Legal on page(s): Exhibit "A"

Assessor's Tax Parcel No.: P39369 / 350518-2-003-0007
P39316 / 350518-0-029-0001

THIS DEED OF TRUST, made this 27th day of October, 2021, between DUKES HILL, L.L.C., a Washington limited liability company, as GRANTOR, whose address is 103 N. Township Street, Sedro-Woolley, Washington, 98284 and Chicago Title Company of Skagit County as TRUSTEE, and Seventh Heaven, LLC, a Washington limited liability company, as BENEFICIARY, whose address is 2110 Greenview Lane, Lynden, WA 98264.

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

As hereto attached in Exhibit "A" and by this reference made a part hereof,

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 of One Million and No/100s Dollars (\$1,000,000.00) 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 thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, 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 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. However, notwithstanding the prior sentence, Beneficiary shall subordinate this Deed of Trust, from time to time, to any debts, deed(s) of trust and other security instruments as Grantor may obtain for the purpose of constructing improvements on the real property. Beneficiary shall execute any subordination agreements and other documents as are necessary to subordinate as required by this paragraph, promptly upon request by Grantor.
3. 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.
4. 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.
5. 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 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 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.
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/her/their execution of this Deed of Trust, and such as he/she/they 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 encumbrancers 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 Trustee, 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 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 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.

DUKES HILL, L.L.C.,
a Washington limited liability company



By: Robert W. Janicki, ~~Its~~ Member

(Acknowledgement follows.)

STATE OF WASHINGTON }

COUNTY OF SKAGIT }

I certify that I know or have satisfactory evidence that ROBERT W. JANICKI is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledged it as the of Member to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated: 10-27-21

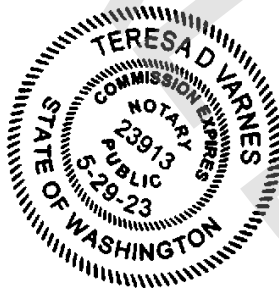


Notary name printed or typed:

Notary Public in and for the State of Wa.

Residing at Island Co.

My appointment expires: 5/29/23



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: _____

SEVENTH HEAVEN, LLC,
a Washington limited liability company

By: _____
Its: _____

Exhibit "A"
Legal Description

PARCEL A:

The Southeast Quarter of the Northwest Quarter of Section 18, Township 35 North, Range 5 East of the Willamette Meridian, described as follows:

EXCEPT that part lying South and East of the Northern Pacific Railway right-of-way;

AND EXCEPT that portion lying Easterly and Northeasterly of the Westerly line of that certain easement in favor of the United States of America and recorded January 30, 1969, under Auditor's File No. 722786, records of Skagit County, Washington;

AND ALSO EXCEPT that portion of the Southeast Quarter of the Northwest Quarter of Section 18, Township 35 North, Range 5 East of the Willamette Meridian, described as follows:

Beginning at the Southeast corner of Lot 1, SEDRO-WOOLLEY SHORT PLAT NO. SWSP03-83, approved April 26, 1983 and recorded May 3, 1983, under Auditor's File No. 8305030051, records of Skagit County, Washington, in Volume 6 of Short Plats, page 61, records of Skagit County, Washington; being a portion of the Plat of Alder Ridge Div. 1, according to the plat thereof, recorded in Volume 13 of Plats, page 27, records of Skagit County, Washington;

Thence North $1^{\circ}58'01''$ East along the East line of said Lot 1, a distance of 158.81 feet to the Northeast corner of said Lot 1;

Thence South $56^{\circ}43'21''$ East along the Southeasterly prolongation of the Northerly line of said Lot 1, a distance of 95.00 feet;

Thence South $34^{\circ}45'33''$ West, a distance of 129.74 feet to the Southeast corner of said Lot 1 and the point of beginning of this description;

AND ALSO EXCEPT that portion, if any, lying within Sauk Mountain View Estates South, a Planned Residential Development Phase 3, according to the plat recorded thereof on May 26, 2005, under Auditor's File No. 200505260107, records of Skagit County, Washington;

AND ALSO EXCEPT that portion conveyed to the City of Sedro-Woolley by Deed recorded December 21, 2006, under Auditor's File No. 200612210121, records of Skagit County, Washington and described as follows:

The North 30 feet of the West Half of the Southeast Quarter of the Northwest Quarter of Section 18, Township 35 North, Range 5 East of the Willamette Meridian;

TOGETHER WITH that portion of the East Half of the Southeast Quarter of the Northwest Quarter of said Section 18, more particularly described as follows:
Beginning at the Northwest corner of the East Half of the Southeast Quarter of the Northwest Quarter;
Thence North $88^{\circ}18'58''$ East along the North line of said East Half, 247.17 feet to a point of curvature;
Thence Southwesterly along the arc of a curve to the left having a radius of 270.00 feet through a central angle of $14^{\circ}50'04''$ an arc distance of 35.15 feet to a point of tangency;
Thence South $73^{\circ}28'54''$ West along said tangent 39.07 feet to a point of curvature;
Thence along the arc of a curve to the right having a radius of 42.96 feet to a point of tangency;
Thence South $88^{\circ}18'58''$ West along said tangent 55.63 feet;
Thence North $02^{\circ}21'47''$ West, 30.00 feet to the point of beginning.

Situated in Skagit County, Washington.

PARCEL B:

The North Half of the South Half of the North Two-Thirds of Government Lot 1 in Section 18, Township 35 North, Range 5 East, W.M.

EXCEPT all road rights of way.

Situated in Skagit County, Washington.