

When Recorded Return To:

Adelstein Sharpe & Serka LLP  
400 North Commercial Street  
Bellingham, WA 98225

**Accommodation Recording  
Chicago Title  
620051239**

**GRANTOR:** Travis and Samantha Kilgore, husband and wife  
**BENEFICIARY:** Steven Cobain  
**GRANTEE (Trustee):** Chicago Title Insurance Company  
**Abbrev. LEGAL DESCRIPTION:** Lot(s) 1-3, Block 248, of MAP OF THE CITY OF ANAORTES, Map Book 4, Map Page 7  
**TAX PARCEL I.D. #:** 3772-248-003-0002

**DEED OF TRUST - Residential**

THIS DEED OF TRUST is made this 29<sup>th</sup> day of April, 2022, between Travis and Samantha Kilgore, GRANTOR, whose address is 1604 B Avenue, Anacortes, WA 98221; Chicago Title Insurance Company, TRUSTEE, whose address is 425 Commercial Street, Mt. Vernon, WA 98273, and Steven Cobain, BENEFICIARY, whose address is 14763 Hoxie Lane, Anacortes, WA 98221.

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

Lots 1, 2 and the East ½ of Lot 3, Block 248, "MAP OF THE CITY OF ANACORTES", according to the plat thereof, recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

Situate in Skagit County, Washington.

hereinafter referred to as the "Real Property"

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. The real property is not used principally for agricultural purposes in order for the deed of trust to be foreclosed nonjudicially. If this statement is false on the date the deed of trust was granted or amended to include that statement, and false on the date of the trustee's

sale, then the deed of trust must be foreclosed judicially. Real property is used for agricultural purposes if it is used in an operation that produces crops, livestock or aquatic goods.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of Three Hundred and Thirty Thousand Dollars and No/100 (\$330,000.00) 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 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. Assignment of Rents. As further security for the payment of all indebtedness herein mentioned, all Grantor's rents and profits of said property and the right, title and interest of the Grantor in and under all leases now or hereafter affecting said property, are hereby assigned and transferred to the Beneficiary. So long as no default shall exist in compliance with any requirement hereof or of any further instrument at any time executed with respect to this Deed of Trust the Grantor may collect assigned rents and profits as the same fall due, but upon the occurrence of any such default, or at such later time as the Beneficiary in its sole discretion may fix by written notice, all right of the Grantor to collect or receive rents or profits shall wholly terminate. All rents or profits of Grantor received from or in respect to said property which it shall be permitted to collect hereunder shall be received by it in trust to pay the usual and reasonable operating expenses of, and the taxes upon, said property and the sums owing the Beneficiary as they become due and payable as provided in this Deed of Trust or in the said note or in any modification of either. The balance of such rents and profits after payment of such operating expenses, taxes and sums due the Beneficiary, and after the setting aside of accruals to date of such expenses, taxes and sums, including amortization, shall be Grantor's absolute property. No lease of the whole or any part of the property involving an initial term of more than three years shall be modified or terminated without the written consent of the Beneficiary, nor shall the surrender of any such lease be accepted nor any rental thereunder be collected for more than two months in advance without like written consent. In the event of any default hereunder and the exercise by the Beneficiary of its rights hereby granted, Grantor agrees that payments made by tenants or occupants to the Beneficiary shall, as to such tenants, be considered as though made to Grantor and in discharge of tenants' obligations as such to Grantor. Nothing herein contained shall be construed as obliging the Beneficiary to perform any of Grantor's covenants under any lease or rental arrangement. Grantor shall execute and deliver to the Beneficiary upon demand any further or supplemental assignments necessary to effectuate the intentions of this paragraph and upon failure of the Grantor so to comply, Beneficiary may, in addition to any other right or remedy it has, declare the maturity of the indebtedness hereby secured.

2. **Waste.** 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.
3. **Taxes/Assessments.** 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. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property herein above 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.
4. **Insurance.** 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. 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.
5. **Defend Security.** 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.
6. **Costs/Expense.** 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 and including any costs incurred by the Beneficiary in connection with a suit for a deficiency judgment against Grantor and/or any Guarantor such as appraisal fees, and any other costs and expenses incurred by the Beneficiary.
7. **Hazardous Substance.** At its own cost, Grantor will take all actions which are necessary or desirable to clean up any Hazardous Substances affecting the Property, including removal, containment or any other remedial action required by governmental authorities. Grantor shall indemnify and hold Beneficiary harmless from and against any and all claims, demands, damages, losses, liens, liabilities, penalties, fines, lawsuits and other proceedings and costs and expenses (including attorneys' fees and disbursements), which accrue to or are made against or incurred by Beneficiary at any time and arise directly or indirectly from or out of, or in any way connected with the

discovery and/or cleanup of Hazardous Substances on the Property at any time. Grantor acknowledges that it will be solely responsible for all costs and expenses relating to the cleanup of Hazardous Substances from the Property as between Grantor and Beneficiary. Grantor's obligations under this paragraph are unconditional and are separate and distinct obligations from Grantor's obligations under the note, are not secured by this Deed of Trust, and shall not be discharged or satisfied by foreclosure of the liens created by this Deed of Trust and shall continue in effect after any transfer of the Property, including without limitation transfers pursuant to foreclosure proceedings (whether judicial or nonjudicial), or by any transfer in lieu of foreclosure. As used in this paragraph, "Hazardous Substances" shall include, but not be limited to, (i) petroleum, (ii) asbestos, (iii) PCBS, (iv) a hazardous substance as defined under RCW 70.105D, and (v) any other substance which is regulated as hazardous or dangerous by any federal, state or local agency.

**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. The Grantor assigns the rights to any proceeds to the Beneficiary to the extent of the amount of any unpaid balance remaining to be paid to the Beneficiary.
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; (3) the surplus, if any, shall be distributed to the persons entitled thereto. To the extent permitted by law, without limitation, Beneficiary may seek and obtain a deficiency judgment following the completion of a judicial foreclosure or a trustee sale of all or a portion of the security for the obligations secured by this Deed of Trust.
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 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 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.

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 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 and inures to the benefit of, and is binding not only on the parties hereto, but on 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.

9. If the Real Property, collateral, or any part thereof, is sold, conveyed, transferred, encumbered, or full possessory rights therein transferred, whichever event occurs first, then the Beneficiary shall declare all sums secured by 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 their rights, whether by action or non-action, in connection with any previous sale, transfer, conveyance or encumbrance, whether one or more.



**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: \_\_\_\_\_

\_\_\_\_\_  
Steven Cobain