

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

SIDERIUS LONERGAN AND MARTIN LLP
500 Union Street Suite 847
Seattle, Washington 98101-2394
Attention: Frank Siderius

CHICAGO TITLE

6200 52504

Grantor (Borrower): Michael D. Dunatov
Beneficiary (Lender): Soundview Investors LLC
Grantee (Trustee): Chicago Title Company
County: Skagit
Legal Description (abbreviated): Ptn. GL 5 & 9, 13-34-3E (aka Ptn. Lots 2 and 3,
SP#90-11) (Additional Legal(s) on Exhibit A). Page 15
Assessor's Tax Parcel I.D.#: P99254/340313-0-040-0500

THE PROPERTY AND IMPROVEMENTS SUBJECT TO THIS DEED OF TRUST ARE NOT
USED PRINCIPALLY FOR AGRICULTURAL OR FARMING PURPOSES.

DEED OF TRUST

THIS DEED OF TRUST (herein "Instrument") is made this 4th day of November
2022, among Grantor, MICHAEL D DUNATOV ("Borrower"); Grantee, CHICAGO TITLE
COMPANY ("Trustee"); and Beneficiary, SOUNDVIEW INVESTORS LLC, a Washington
Limited Liability Company ("Lender"). For purposes of Article 9 of the Uniform Commercial

Code (RCW 62A.9), this Instrument constitutes a Security Agreement and Financing Statement with the Borrower being the Debtor and the Lender being the Secured Party. This Instrument shall also constitute a Financing Statement filed as a fixture filing pursuant to Article 9 of the Uniform Commercial Code.

In consideration of the indebtedness described below, Borrower hereby irrevocably GRANTS, TRANSFERS, CONVEYS and ASSIGNS to Trustee, IN TRUST, WITH POWER OF SALE, all of Borrower's present and future estate, right, title, claim, and interest, either in law or in equity, in and to that certain real property located in the County of Skagit, State of Washington, as more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Premises").

TOGETHER WITH all of Borrower's existing and future right, title and interest in and to all options and rights of refusal to purchase, lease, sublease, extend or renew any lease or sublease of, or to otherwise acquire, any interest in or to all or any part of the Premises, and to extend, renew or exercise any of said options; and any greater estate in the Premises now and hereafter acquired by Borrower; and

TOGETHER WITH all of Borrower's existing and future right, title and interest in and to all property attached to, located on or about, arising out of, related to, or used or adapted for use or intended to be used in connection with the Premises, including without limitation:

- (a) All easements, access, air and development rights, minerals and oil, gas and other hydrocarbon substances, royalties, water, water rights and water stock, and all other rights, hereditaments, privileges, permits, licenses, franchises and appurtenances now or hereafter belonging or in any way appertaining to the Premises;
- (b) All buildings, structures and improvements now or hereafter located on the Premises (the "Improvements");
- (c) All fixtures and articles of property now or hereafter attached to, or used or adapted for use in the ownership, development, operation or maintenance of the Premises or Improvements (whether such items are leased, owned, or subject to any title-retaining or security instrument), including without limitation all heating, cooling, air-conditioning, ventilating, refrigerating, plumbing, generating, power, lighting, laundry, maintenance, incinerating, lifting, cleaning, fire prevention and extinguishing, security and access control, cooking, gas, electric and communication fixtures, equipment and apparatus; all engines, motors, conduits, pipes, pumps, tanks, ducts, compressors, boilers, water heaters and furnaces; all ranges, stoves, disposers, refrigerators and other appliances; all escalators and elevators, baths, sinks, cabinets, partitions, mantels, built-in mirrors, window shades, blinds, screens, awnings, storm doors,

all furnishings of public spaces, halls and lobbies; and all shrubbery and plants. All such items shall be deemed part of the Premises and not severable wholly or in part without material injury to the freehold;

(d) All of the rents, revenues, issues, profits and income of the Premises and Improvements ("Rents"), and all present and future leases, subleases and other agreements for the occupancy or use of all or any part of the Premises or Improvements and all renewals, extensions and replacements thereof ("Leases"), including without limitation all cash or security deposits, advance rentals and deposits or payments of similar nature, and all guarantees of tenants' or occupants' performance under such leases and agreements, all subject, however, to the provisions of Section 13;

(e) All tangible personal property ("Personal Property") used or useful in connection with the ownership, development, operation or maintenance of the Premises or the Improvements, including without limitation all furniture, furnishings, equipment, and supplies;

(f) All intangible personal property used in connection with or related in any way to the ownership, development, operation or maintenance of the Premises, Improvements, or Personal Property, including without limitation, all permits, licenses and franchises, the exclusive right to use of any trade names, all contract rights (including without limitation architectural, engineering, consulting, and management contracts), all accounts, accounts receivable, escrow accounts, reserves and reserve accounts, insurance policies, deposits, instruments, chattel paper, documents of title, general intangibles, and business books and records, and all claims and causes of action related in any way to the Premises, Improvements or Personal Property including rights and claims under any insurance policy;

(g) All materials, supplies, and other goods, wherever located, whether in the possession of Borrower, warehousemen, bailees, or any other person, purchased for use in or related in any way to any construction or remodelling or furnishing of the Improvements, together with all documents, contract rights, and general intangibles relating thereto;

(h) All site plans, plats, architectural plans, specifications, working drawings, surveys, engineering reports, test borings, market surveys, and other work products relating to the Premises or Improvements;

(i) Any contracts for or in connection with any construction on or services to be performed in connection with the Premises or any Improvements, together with all performance, payment, completion or other surety bonds issued in connection with or related to such contracts, insofar as the same may be transferred by Borrower without breach of any such bond; and

(j) All additions to, replacements of, substitutions for, products of, proceeds and all proceeds of such proceeds (including, but not limited to goods, accounts, general intangibles, chattel paper, documents, instructions, money and the proceeds thereof) of any of the foregoing items and all rights to encumber any of the foregoing for debt.

All of the foregoing are herein referred to as the "Property."

TO SECURE TO LENDER (a) the payment of the sum of TWO HUNDRED FIFTY FIVE THOUSAND AND NO/100 DOLLARS (\$255,000.00), with interest thereon, according to the terms and provisions of a promissory note (the "Note") of even date, made by Borrower and payable to Lender, including any and all modification, extensions, renewals and restatements and replacements thereof; (b) the payment of all other sums, with interest thereon, advanced under the terms of this Instrument or the Note, or any and all modifications, extensions, renewals, restatements, and replacements hereof or of the Note; and (c) the performance of the agreements and warranties of Borrower contained in this Instrument or incorporated herein by reference.

Borrower agrees and covenants as follows:

1. Payment of Obligations. Borrower shall promptly pay when due all sums secured by this Instrument, and shall otherwise timely perform all of its obligations under this Instrument.
2. Warranty of Title. Borrower covenants and agrees that: (i) Borrower is lawfully seized of the estate hereby conveyed and has full right and power to grant, convey and assign the Property, (ii) the Property is free from liens, encumbrances, exceptions and other charges of any kind whatsoever, except for the Permitted Exceptions ("Permitted Exceptions"), (iii) no other liens or encumbrances, whether superior or inferior to this Instrument, will be created or suffered to be created by Borrower without the prior written consent of Lender, (iv) no default on the part of Borrower or any other person exists under any of the Permitted Exceptions and no event has occurred which after notice or passage of time or both would constitute a default, (v) the Permitted Exceptions are in full force and effect and in good standing, without modification, (vi) Borrower shall fully comply with all the terms of the Permitted Exceptions, and (vii) Borrower shall forever warrant and defend the Property unto Lender against all claims and demands of any other person whatsoever, subject only to nondelinquent taxes and assessments and the Permitted Exceptions.
3. Charges; Liens. Borrower shall make payment, when due, directly to the proper payee, of all water, sewer, and other utility charges, and all rents, taxes assessments and premiums attributable to the Property. Borrower shall promptly discharge any lien which is not a Permitted Exception, and Borrower shall pay when

due, the claims of all persons supplying labor or materials to or in connection with the Property.

4. Insurance. Borrower shall keep all Improvements and all Personal Property insured by carriers at all times satisfactory to Lender against loss by fire and other hazards insured against under a "Special Perils" policy, rent loss, and such other hazards, casualties, liabilities and contingencies as Lender shall require, and in such amounts and for such periods as Lender and landlord shall require. All premiums on insurance policies shall be paid by making payment, when due, directly to the carrier. All insurance policies and renewals shall be in a form acceptable to Lender and shall include a standard mortgagee's clause in favor of and in form satisfactory to Lender. All required policies will provide for at least thirty (30) days' written notice to Lender prior to the effective date of any cancellation or material change, which includes any reduction in the scope or limits of coverage. Borrower shall furnish to Lender copies of all policies, renewal notices, and receipts for paid premiums. All such policies shall have loss payable to Lender. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as Lender shall determine. Such application by Lender shall not cause discontinuance of any proceedings to foreclose this Instrument. In the event of foreclosure, all rights of Borrower in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

5. Preservation and Maintenance of Property. Borrower (i) shall not commit waste or permit impairment or deterioration of the Property, (ii) shall not abandon the Property, (iii) shall restore or repair promptly and in good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Lender may approve in writing, in the event of any damage, injury or loss thereto, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair, (iv) shall keep the Property, including Improvements and Personal Property, in good repair and shall replace fixtures, equipment, machinery, and appliances on the Premises when necessary to keep such items in good repair, (v) shall comply with all laws, ordinances, regulations, and requirements of any governmental body applicable to the Property, and pay all fees in connection therewith and (vi) shall give notice in writing to Lender of and, unless otherwise directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Instrument or the rights or powers of Lender. Neither Borrower nor any tenant or other person shall remove, demolish or alter any improvement now existing or hereafter erected on the Premises or any fixture, equipment, machinery, or appliance in or on the Premises without Lender's prior written consent.

6. Use of Property. Unless Lender has otherwise agreed in writing, Borrower shall not allow changes in the use for which all or any part of the Property was intended at the time this Instrument was executed. Borrower shall not initiate or acquiesce in any

change in the zoning classification of the Premises without Lender's prior written consent. Without Lender's prior written consent, Borrower shall not (i) seek any variance under existing zoning ordinances applicable to the Property or use or permit the use of the Property in a manner which would result in such use becoming a nonconforming use under applicable zoning ordinances, (ii) modify, amend or supplement any easement, reservation, restriction, covenant, condition, or encumbrance pertaining to the Property, (iii) impose or consent to any restrictive covenant or encumbrance upon the Property, execute or file any subdivision or parcel map affecting the Property, or consent to the annexation of the Property to any municipality, or (iv) permit or suffer the Property to be used by the public or any person in such a manner as might make possible a claim of adverse use or possession or of implied dedication or easement.

7. Protection of Lender's Security. Borrower shall give notice to Lender of and shall appear in and defend any action or proceeding that may affect the Property, the interests of Lender or Trustee therein, or the rights or remedies of Lender or Trustee under the Note and this Instrument. If any such action or proceeding is commenced, or Borrower fails to perform any obligation under the Note and this Instrument, Lender or Trustee may, at their option, make any appearances, disburse any sums, make any entries upon the Property, and take any actions as may be necessary or desirable to (i) protect or enforce the security of this Instrument, (ii) remedy Borrower's failure to perform its obligations under the Note and this Instrument (without waiving such default by Borrower), (iii) curing of any default of Borrower in the terms or and conditions of the Permitted Exceptions, or (iv) otherwise protect Lender's or Trustee's interests. Borrower shall pay all losses, damages, fees, costs, and expenses incurred by Lender and Trustee in taking such actions, including without limitation reasonable legal fees.

Any amounts disbursed by Lender pursuant to this numbered paragraph, with interest thereon at the Default Rate under the Note from the date of disbursement by Lender, shall become additional indebtedness of Borrower secured by this Instrument and shall be due on demand by Lender. Borrower hereby covenants and agrees that Lender shall be subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by the additional indebtedness. Nothing contained in this numbered paragraph shall require Lender to incur any expense or take any action.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Premises and other Property.

9. Books and Records. Borrower shall keep and maintain at all times at Borrower's address set forth above, or such other place as Lender may approve in writing, complete and accurate books of accounts and records adequate to reflect correctly the results of the operation of the Property and copies of all written contracts, leases and other instruments which affect the Property. Such books, records, contracts,

leases and other instruments shall be subject to examination and inspection at any reasonable time by Lender.

10. **Condemnation.** Borrower shall promptly notify Lender of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Borrower shall appear in and prosecute any such action or proceeding unless otherwise directed by Lender in writing. Borrower authorizes Lender, at Lender's option, as attorney in fact for Borrower to commence, appear in and prosecute, in Lender's or Borrower's name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned to and shall be paid to Lender.

11. **Transfers of the Property.** Borrower shall not transfer all or any part of or any interest in the Property. The term "Transfer" as used herein means (i) any sale, assignment, encumbrance, pledge, hypothecation, or any other transfer or disposition of all or any part of the Property, or any interest in any part of the Property, (ii) any agreement by Borrower to sell, sign, encumber, pledge, hypothecate, or otherwise transfer or dispose of all or any part of the Property, or any interest in any part of the Property, or (iii) any change in (a) the ownership or control of any of Borrower's stock if Borrower is a corporation, (b) the ownership or control of any general partnership interest in Borrower if Borrower is a partnership, (c) the ownership or control of any beneficial interests in Borrower if Borrower is not otherwise a natural person or persons, and (d) the ownership or control of any stock, any general partnership interest, or any other beneficial interest in any corporation, partnership or other entity that has an ownership interest in Borrower. Any such action without Lender's prior written consent shall be deemed to increase the risk of Lender, and shall constitute an Event of Default. Lender may, in its sole discretion, consent to any such action subject to such terms and conditions as Lender may require, including without limitation payment of a fee based on the principal balance of the Note, increase in the interest rate, increase in the amount of required installments, and change in maturity date of the Note.

Borrower will not lease, sublease or permit any other person to use any portion of the Property except with the prior written consent of Lender.

12. **Hazardous Substances.**

(a) **Representations and Warranties.** Borrower represents and warrants to Lender, to the best of its knowledge after due and diligent inquiry and inspection, that (i) no asbestos has ever been used in the construction, repair or

maintenance of any Improvements; (ii) no Hazardous Substance is currently being generated, processed, stored, transported, handled or disposed of, on, under or in the Property, except in accordance with all applicable laws, (iii) neither Borrower nor any other person or entity has ever caused or permitted any Hazardous Substance to be generated, processed, stored, transported, handled or disposed of, on, under or in the Property, except in compliance with all applicable laws, (iv) there is no actual or alleged violation with respect to the Property of any federal, state or local statute, ordinance, rule, regulation or other law pertaining to Hazardous Substances, and (v) there is no action or proceeding pending before or appealable from any court, quasijudicial body or administrative agency relating to Hazardous Substances affecting or alleged to be affecting the Property.

(b) Covenant. Borrower covenants and agrees that Hazardous Substances will not be generated, processed, stored, transported, handled or disposed of on the Property by any person or entity, except in accordance with all applicable laws.

(c) Definition. "Hazardous Substance" means petroleum, petroleum product, natural or synthetic gas, asbestos, urea formaldehyde, radon gas, polychlorinated biphenyls, and any substances or material which may be hazardous to the health or safety of any person, including any substance which now or hereafter becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law relating to environmental protection, contamination or cleanup.

13. Rents. As further security for the obligations described above, Borrower hereby assigns to Lender the Rents, profits and Leases of the Property.

Without Lender's prior written consent, Borrower shall not (i) collect or accept payment of any Rents more than one (1) month prior to the due dates thereof, (ii) shall not execute, modify, surrender or terminate any Lease providing for a term (including any renewal term(s)) of one (1) year or more, and (iii) shall not in any manner waive, discharge, release or modify the obligations of any tenant or other occupant of the Property under any Lease. All Leases will specifically provide that the tenant attorns to any person succeeding to the interest of Borrower upon any foreclosure of this Instrument or conveyance in lieu thereof.

14. Default; Acceleration; Remedies. If Borrower fails to make any payment required under the Note, this Instrument, or any related documents and instruments and any and all modifications extensions, renewals, restatements and replacements thereof or fails to perform any other covenant, agreement or obligation under this Instrument or any related documents and instruments and any and all modifications extensions, renewals, restatements and replacements therefor, such failure shall constitute an Event of Default hereunder. Upon the occurrence of an Event of Default, Lender, at

Lender's option, may declare all of the sums secured by this Instrument to be immediately due and payable without further demand. After giving Borrower notice of an Event of Default in the manner prescribed by applicable law, Lender may invoke the power of sale and any other remedies permitted by applicable law or provided herein. Borrower acknowledges that the power of sale granted by this Instrument may be exercised by Lender without prior judicial hearing. Borrower has the right to bring an action to assert the nonexistence of a breach or any other defense of Borrower to acceleration and sale. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, attorneys' fees and costs of documentary evidence, abstracts and title reports.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of a Event of Default and of Lender's election to cause the Property to be sold. Trustee and Lender shall give such notices as the applicable laws may require to Borrower and to such other persons as the applicable laws prescribe, and after the lapse of such time as may be required by applicable law, Trustee shall sell the Property according to the applicable laws. Trustee may sell the Property at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property for a period or periods not exceeding the periods permitted by applicable law by taking the actions prescribed by applicable law. Lender or Lender's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser a Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including but not limited to, Trustee's and attorneys' fees and costs of title evidence; (b) to all sums secured by this Instrument in such order as Lender, in Lender's sole discretion, directs; and (c) the excess, if any, shall be distributed to the persons entitled thereto.

Lender shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Premises, and Borrower hereby irrevocably consents to such appointment and waives notice of any application therefor. RCW 7.60.025(b)(ii) is applicable to the appointment of a receiver under this Deed of Trust.

15. Reconveyance. Upon payment of all sums secured by this Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Instrument and all notes evidencing indebtedness secured by this Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons

legally entitled thereto. Such person or persons shall pay Trustee's reasonable costs incurred in so reconveying the Property.

16. **Substitute Trustee.** In accordance with applicable law, Lender may from time to time appoint a successor Trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor Trustee shall succeed to all the titles, power and duties conferred upon the Trustee herein and by applicable law.

17. **Remedies Cumulative.** Each remedy provided in this Instrument is distinct and cumulative to all other rights or remedies under this Instrument or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever. The power of sale conferred by this Instrument and by the Deed of Trust Act of the State of Washington is not an exclusive remedy. Lender may cause this Instrument to be foreclosed as a mortgage.

18. **Borrower and Lien Not Released.** From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Borrower, Borrower's successors or assigns or of any other lienholder or guarantors, without liability on Lender's part, and notwithstanding Borrower's breach of any covenant or agreement of Borrower in this Instrument, extend the time for payment of any indebtedness secured by this Instrument or any part thereof, reduce the payments thereon, release anyone liable on any of said indebtedness, modify the terms and time of payment of said indebtedness, release from the lien of this Instrument any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Borrower to modify the rate of interest or period of amortization. Any actions taken by Lender pursuant to the terms of this numbered paragraph shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by this Instrument and to observe the covenants of Borrower contained herein, shall not affect the guaranty of any person, corporation, partnership, or other entity for payment of the indebtedness secured hereby, and shall not affect the lien or priority of lien hereof on the Property. Borrower shall pay Lender a reasonable service charge, together with such title insurance premiums and attorneys' fees as may be incurred at Lender's option for any such action if taken at Borrower's request.

19. **Forbearance by Lender Not A Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Lender of payment of any sum secured by this Instrument after the due date of such payment shall not be a waiver of Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt

payment. The procurement of insurance or the payment of taxes, rents or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Instrument, nor shall Lender's receipt of any awards, proceeds or damages as provided in this Instrument operate to cure or waive Borrower's default in payment of sums secured by this Instrument.

20. **No Offset.** Borrower's obligation to timely pay and perform all obligations under the Note and this Instrument shall be absolute and unconditional and shall not be affected by any event or circumstance including, without limitation, any setoff, counterclaim, abatement, suspension, recoupment, deduction, defense or any other right that Borrower or any guarantor may have or claim against Lender or any other person or entity. The foregoing shall not constitute a waiver of any claim or demand which Borrower or any guarantor may have in damages or otherwise against Lender or any other person or entity, provided that Borrower shall maintain a separate action thereon.

21. **Modifications and Waivers.** This Instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

22. **Notice.** Notices under this Instrument shall be in writing and shall be sent as registered or certified mail, postage prepaid, directed to such party at the address noted above, or such other address as the party may indicate by written notice to the other pursuant to this section. Such notices shall be deemed effective on the earlier of (a) the actual date of delivery of the notice to the address of the party, and not a named person, as evidenced by the certified or registered mail return receipt, or (b) the third business day after the date of mailing.

23. **Uniform Commercial Code Security Agreement.** This Instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above as part of the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Borrower hereby grants Lender a security interest in said items. Without the prior written consent of Lender, Borrower shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items, including replacements and additions thereto. Upon the occurrence of an Event of Default as defined above, Lender shall have the remedies of a secured party under the Uniform Commercial Code and, at Lender's option, may also invoke the other remedies provided in this Instrument or by law as to such items. In exercising any of said remedies, Lender may proceed against the items of real property and any items of personal property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the other remedies provided in this Instrument.

24. Waiver of Marshaling. Notwithstanding the existence of any other security interests in the Property or other property of Borrower held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Property and such other property shall be subjected to the remedies provided by this Instrument or otherwise. Lender shall have the right to determine the order in which any or all portions of the indebtedness secured by this Instrument are satisfied from the proceeds realized upon the exercise of the remedies provided in this Instrument or otherwise. Borrower, any party who consents to this Instrument, and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice of this Instrument, hereby waives any and all right to require the marshaling of assets in connection with the exercise of any of the remedies permitted by applicable law or by this Instrument.

25. Additional Documents; Power of Attorney. Borrower, from time to time, shall execute, acknowledge and deliver to Lender upon request, and hereby irrevocably appoints Lender its attorney-in-fact to execute, acknowledge, deliver and if appropriate file and record, such security agreements, assignments for security purposes, assignments absolute, financing statements, affidavits, certificates and other documents, in form and substance satisfactory to Lender, as Lender may request in order to perfect, preserve, continue, extend or maintain the assignments herein contained, the lien and security interest under this Instrument, and the priority thereof. Borrower shall pay to Lender upon request therefor all costs and expenses incurred in connection with the preparation, execution, recording and filing of any such document, and such sums shall bear interest from the date of request at the lesser of the Default Rate under the Note.

26. Use of Property. The Property is not used principally for agricultural or farming purposes.

27. Fees and Costs. Borrower shall pay Lender on demand all attorneys' fees and costs, all court costs, and all other costs and expenses (including but not limited to title insurance, appraisal, expert witness or similar fees) incurred by Lender to collect any payment due hereunder or secured hereby, to foreclose or otherwise realize upon any of the Property, or to otherwise protect or enforce Lender's rights hereunder or under the Note, including such fees and costs incurred by Lender outside of or in connection with any state or federal insolvency or bankruptcy proceeding or any appellate court proceeding ("Fees and Costs"). Borrower shall pay interest on such Fees and Costs at the Default Rate under the Note from the date of demand until paid by Borrower.

28. Lender Advances. Should Borrower fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Property including, without limitation, any rents or other sums due, Lender may pay the

Same, and the amount so paid, with interest at the Default Rate under the Note from the date said payment is made by Lender, shall be added to and become a part of the obligations secured by this Instrument and shall be due on demand by Lender

29. Successors and Assigns Bound; Joint and Several Liability; Agents; Captions.

The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to the benefit of, the respective successors and assigns of Lender and Borrower, subject to the limitations on transfer described in this Instrument. All covenants and agreements of Borrower shall be joint and several. In exercising any rights or taking any actions provided for in this Instrument, Lender may act through its employees, agents or independent contractors. The captions and headings of the paragraphs of this Instrument are for convenience in locating provision only and are not be used to interpret or define the provisions.

30. Governing Law; Severability. This Instrument shall be governed by the laws of the State of Washington. In the event that any provision of this Instrument conflicts with applicable law, such conflict shall not affect other provisions of this Instrument which can be given effect without the conflicting provisions, and to this end the provisions of this Instrument are declared to be severable.

31. Time. Time is of the essence in connection with all obligations of Borrower herein.

IN WITNESS OF THIS INSTRUMENT, Borrower has executed this Instrument on the day and year first above written.

Borrower

MICHAEL D. DUNATOV



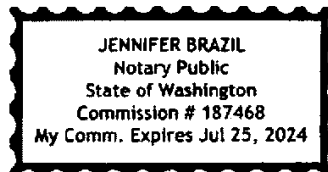
NOTARY ACKNOWLEDGEMENT

STATE OF WASHINGTON)

COUNTY OF Skagit)

On this day personally appeared before me Michael D. Dunator, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he/she signed the same as his/her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 4 day of November, 2022.



Jennifer Brazil
 Printed Name: Jennifer Brazil
 Notary Public for the State of Washington
 Residing at: Mount Vernon
 My commission expires: 7-25-2024

EXHIBIT "A"
DESCRIPTION OF REAL PROPERTY

ASSESSOR'S PARCEL NUMBER(S):

P99254/340313-0-040-0500

LEGAL DESCRIPTION:

Lot 3, SKAGIT COUNTY SHORT PLAT NO. 90-11, approved August 20, 1990, and recorded August 30, 1990, in Volume 9 of Short Plats, page 259, under Auditor's File No. 9008300001, records of Skagit County, Washington; being a portion of Government Lots 5 and 9, Section 13, Township 34 North, Range 3 East of the Willamette Meridian; EXCEPT that portion described as follows:

Beginning at the most Northerly corner of said Lot 3;

thence South 52°31'43" East a distance of 37.98 feet along the Northeasterly line thereof to the West line of Lot 1, said short plat, said West line lying parallel with and 30.00 feet Easterly of the West line of said Lot 3, as measured at right angles thereto; thence South 00°20'53" East 253.18 feet along said West line of Lot 1 to the Southwest corner thereof;

thence North 52°31'43" West a distance of 37.98 feet to said West line of Lot 3; thence North 00°20'53" West a distance of 253.18 feet along last said West line of the point of beginning;

TOGETHER WITH that portion of Lot 2 of SKAGIT COUNTY SHORT PLAT NO. 90-11, approved August 20, 1990, and recorded in Volume 9 of Short Plats, page 259, records of Skagit County, Washington, described as follows:

Beginning at the most Southerly corner of said Lot 2;

thence North 52°31'43" West a distance of 37.38 feet along the Southwesterly line thereof to a line lying parallel with and 30.00 feet Westerly of the East line of said Lot 2, as measured at right angles thereto;

thence North 00°50'16" East a distance of 249.23 feet along said parallel line to the Northeasterly line of said Lot 2;

thence South 52°31'43" East a distance of 37.38 feet along said Northeasterly line to said East line; thence South 00°50'16" West a distance of 249.23 feet along said East line to the point of beginning.