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PUGET LAW
Gary E. Gill, Attorney at Law
U.S. Bank Centre
1420 Fifth Avenue, Suite 3000
Seattle, Washington 98101

DEED OF TRUST

Reference No.:	
Grantors:	Nolan J. Radke and Gail A. Radke
Grantee:	Michael P. Showalter and Janet E.C. Showalter
Legal Description:	LOT 14, PLAT OF SPRING TREE, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 14 OF PLATS, PAGES 142 AND 143, RECORDS OF SKAGIT COUNTY, WASHINGTON. SITUATED IN SKAGIT COUNTY, WASHINGTON.
Assessor's Tax Parcel #:	P90485 / Identification No. 90485-4541-000-014-0006

THIS DEED OF TRUST, made as of February 7, 2023, among **Nolan J. Radke and Gail A. Radke**, Husband and Wife, (referred to herein as "Grantor") whose address is 12533 80th Avenue NE, Kirkland, Washington 98034; **CHICAGO TITLE INSURANCE COMPANY**, a corporation (referred to herein as "Trustee"), whose address is 701 Fifth Avenue, Suite 2700, Seattle, Washington; and **Michael P. Showalter and Janet E.C. Showalter**, Husband and Wife, (referred to herein as "Grantee" or "Beneficiary") whose address is 8404 West Mercer Way, Mercer Island, Washington 98040, as Beneficiaries:

WITNESSETH: Grantor hereby irrevocably grants, bargains, sells, and conveys to Trustee in Trust, with power of sale, the real property in the City of Mount Vernon, County of Skagit, State of Washington, commonly known as 825 South 22nd Place, A and 825 South 22nd Place, B, Mount Vernon, WA 98274) legally described as follows:

LOT 14, PLAT OF SPRING TREE, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 14 OF PLATS, PAGES 142 AND 143, RECORDS OF SKAGIT COUNTY, WASHINGTON. SITUATED IN SKAGIT COUNTY, WASHINGTON.

together with all tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues, and profits thereof (the "Property").

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of Eight Hundred Thousand and no/100 Dollars (\$800,000.00), with interest, in accordance with the terms of a promissory note of even date herewith payable to Beneficiary,

Deed of Trust
Page 1 of 8

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.

1. Grantor's Obligations. To protect the security of this Deed of Trust, Grantor covenants and agrees:

- A. Maintenance; No Waste; Compliance with Laws; Inspection. 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; to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property; and pay all fees or charges of any kind in connection therewith. The Beneficiary may recover as damages for any breach of this covenant the amount of its costs and expenses to put the Property in the condition called for herein. Proof of impairment of security shall be unnecessary in any suit, action, or proceeding under this Section. The Grantor shall permit the Beneficiary or its agents the opportunity to inspect the Property at reasonable times after reasonable notice. An action to obtain injunctive relief or to recover damages under this Section may be brought as an independent action without foreclosing the lien of this Deed of Trust and, in any such action or appeal therefrom, the Beneficiary may recover its costs of suit, including reasonable attorneys' fees.
- B. Taxes; Encumbrances. 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.
- C. 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 aggregate amount not less than the total debt secured by this Deed of Trust. All policies shall be with such companies as the Beneficiary may approve and have loss payable to the Beneficiary as Beneficiary's 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.
- D. Protection of Security. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of the Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorneys' fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
- E. Enforcement Expenses. To pay all costs, fees and expenses in connection with this Deed of Trust incurred in enforcing the obligation secured hereby and Trustee's, Receiver's, and attorneys' fees actually incurred.
- F. Beneficiary's Right to Protect Property. In the event Grantor defaults in the Grantor's obligations under this Deed of Trust, and the Beneficiary elects to cure said default and/or performs any act upon which Grantor has defaulted, or should Grantor fail to pay when due

any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Property herein described, Beneficiary may pay the same, and any sums paid and all costs and expenses incurred by the Beneficiary, including a reasonable attorneys' fee, may be added to and become a part of the debt secured in this Deed of Trust, and shall bear default interest at the rate specified in the Note. The Grantor's failure to reimburse Beneficiary upon demand for any sums advanced shall constitute a further event of default under this Deed of Trust.

2. Default. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein (including the terms set forth in the Promissory Note), and such default, other than payment, remains uncured following a thirty (30) day notice to Grantor from the Beneficiary specifying the default, then at Beneficiary's option and upon written request of the Beneficiary, Trustee or its authorized agent shall sell the Property, in accordance with the Deed of Trust Act of the State of Washington, RCW 61.24 and as it may be amended from time to time, at public auction to the highest bidder. Any person except the Trustee may bid at the Trustee's sale. The Trustee shall apply the proceeds of the sale as follows: (a) to the expense of the sale, including a reasonable Trustee's fee and attorneys' fees; (b) to the obligation secured by this Deed of Trust; (c) the surplus, if any shall be distributed to the persons entitled thereto.

3. Sale of Property. In the event of a sale of the Property pursuant to a judicial or non-judicial foreclosure, the Property may be sold in parcels or as a whole, at the Beneficiary's option. In the event of a foreclosure sale, to the extent permitted by law, the Grantor waives any equitable, statutory, or other right the Grantor may have to require marshaling of assets or foreclosure in the inverse order of alienation.

4. Trustee's Deed. The Trustee shall deliver to the purchaser at the sale a Trustee's 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 Grantor's execution of this Deed of Trust, and such as Grantor may have acquired thereafter. The 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 the bona fide purchasers and encumbrances for value.

5. Alternate Remedies. 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.

6. Successor Trustee. In the event of the death, incapacity, disability or resignation of the Trustee, Beneficiary may appoint, in writing, a successor Trustee, and upon the recording of such appointment in the 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 parties unless such action or proceeding is brought by the Trustee.

7. Reconveyance; Action by Trustee. 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. At any time upon the Beneficiary's written request and without affecting the liability of any person for the payment of indebtedness, the Trustee may: (1) consent to the making of any

map or plat of the Property; (2) join in granting any easement or creating any restriction thereon; (3) join in any subordination or other agreement affecting this Deed of Trust or the lien or charge hereof; and (4) reconvey, without warranty, all or any part of the Property. The Grantee in any reconveyance may be described as the "person or persons legally entitled thereto," provided, however, any reconveyance of the Property to Grantor shall be to Grantor (or to any entity to which the Property has been conveyed or assigned) in the names of such persons. The Grantor agrees to pay a reasonable Trustee's fee for full or partial reconveyance, plus any recording fees.

8. Transfer of Title. Except as otherwise provided herein, in the event the Grantor makes any transfer of title to the real Property which is subject to this Deed of Trust without the written consent of Beneficiary, at Beneficiary's discretion, all sums secured hereby shall become immediately due and payable, at the option of the Beneficiary without demand or notice. A "transfer of title" shall include a transfer by real estate contract, vendee's assignment, deed, forfeiture, foreclosure, sheriff's sale, trustee's sale, deed in lieu of any such involuntary sale, or lease with purchase option or for a term in excess of ten (10) years (including extension of options) to any person or entity.

9. Receiver. Grantor acknowledges that in the event of default by Grantor in the making of any payment or in the performance of any other terms and conditions of this Deed of Trust, the period of time involved in repossession of said real and personal property by a trustee's sale could cause irreparable damage to Beneficiary and the real and personal property, and possible litigation, and/or foreclosure of prior encumbrances. For the foregoing reasons, Grantor hereby expressly agrees that in the event of a default, and while such default exists in the payment of any moneys or in the performance of any other terms and conditions of this Deed of Trust, Beneficiary shall have the right upon the failure of Grantor to remedy the default within thirty (30) days after written notice to Grantor from Beneficiary specifying the default, to apply to the King County Superior Court of the State of Washington for appointment of a Receiver under Chapter 7.60 of the Revised Code of Washington to take charge of and maintain full control of said real and personal property; oust tenants, if any, for non-payment of rent; lease all or any portion thereof in the name of Grantor on such terms as the Receiver may deem best; make alterations and repairs as the Receiver may deem advisable and deduct the costs thereof from the rents; receive all rents and income therefrom and issue receipts therefore, and out of amounts so received to pay the necessary operating and maintenance expenses and retain or pay the customary charges for managing the Property; pay any contract and/or mortgage and/or deed of trust payments due hereunder; pay any real or personal property taxes or assessments due; and pay insurance premiums or renewals thereof. After the payment of all of said items, the Receiver shall pay the excess so collected to Grantor. Said Receivership shall be terminated when the contract is no longer in default; and at such time, Receiver shall immediately restore to Grantor all rights and powers hereinabove granted to Receiver, notwithstanding the fact that Receiver has then not yet submitted a final accounting nor been discharged by order of the court.

The appointment of a receiver herein is solely for the purposes of preserving and maintaining the real and personal property, preventing the rents and profits, if any, from being lost or removed, maintaining the underlying encumbrances, if any, in current condition to prevent any delinquency which might result in litigation, and/or an action to forfeit or foreclose, as the case may be, by the holder of said underlying encumbrance, and to secure ample justice of the parties. The application for an appointment of said Receiver shall not affect or restrict the right of Beneficiary to any remedies granted to Beneficiary in this Deed of Trust or otherwise provided by law in the event of default by Grantor and is not intended to and shall not be construed to expand or enlarge the rights of the Beneficiary under any of the remedies granted to Beneficiary in this Deed of Trust or by the statutes or decisions of the courts of the State of Washington.

10. Security Interest. To the extent that this Deed of Trust includes any personal property or interest or rights therein, this Deed of Trust shall constitute a security agreement and Grantor hereby grants a security interest in such property to Beneficiary pursuant to the Uniform Commercial Code of the State of Washington (RCW 62A *et seq.*) and Beneficiary shall have all rights of a secured party pursuant to said Code.

Upon request by Beneficiary, Grantor shall execute financing statements and take whatever other action is required by Beneficiary to perfect and continue Beneficiary's security interest in the fixtures, rents and any other personal property. In addition to recording this Deed of Trust in the real property records, Beneficiary may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Beneficiary for all expenses incurred in perfecting or continuing this security interest. The mailing addresses of Grantor (debtor) and Beneficiary (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Washington Uniform Commercial Code), is as stated on the first page of this Deed of Trust as to debtor and secured party.

11. Impairment of Security. Grantor shall neither: (a) make any material structural changes or alterations to the Property securing this Deed of Trust which would in any way impair or diminish the value of the security during the term of the Note; nor (b) initiate, join in, consent to, or acquiesce in any change in any private restrictive covenant, zoning ordinance, or other public or private restrictions limiting the uses which may be made of the Property or any part thereof, without prior written consent of Beneficiary, which consent shall not be unreasonably withheld.

12. Repairs and Advances During Redemption Period. In the event of a judicial foreclosure, the purchaser, during any redemption period, may make such repairs and alterations to the Property as may be reasonably necessary for the proper operation, care, preservation, protection, and insuring of the Property and may pay any taxes or indebtedness secured by liens on the Property which become due and payable during the redemption period. Any sums so paid, together with interest from the date of payment at the rate provided in the judgment, shall be added to the amount required to be paid for redemption of the Property.

13. Collection of Rents. Upon any default in payment exceeding thirty (30) days by Grantor on the Note, and charges due under this Deed of Trust, Beneficiary shall have the right, provided prior written notice was given to Grantor, to take possession of and manage the Property and collect all rents, receipts, income and profits, if any ("rent"), thereof, including amounts past due and unpaid, and apply the net proceeds, over and above Beneficiary's costs, against the balance due under the Note and the Deed of Trust, and Grantor hereby assigns to Beneficiary such rents in the event of such default. In furtherance of this right, Beneficiary may require any tenant or other user of the Property to make payments of rent or use fees directly to Beneficiary. If the rents are collected by Beneficiary, then Grantor irrevocably designates Beneficiary as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Beneficiary in response to Beneficiary's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Beneficiary may exercise its rights under this paragraph either in person, by agent, or through a receiver, and the exercise of such rights shall be in addition to any other rights or remedies allowed hereunder of provided by law.

14. Condemnation. 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 to be applied to said obligation. The Grantor authorizes the Beneficiary, at the Beneficiary's option, to make a claim for and to enter into a compromise or a settlement with respect to any proceeds payable as a result of condemnation, loss, or damage; and the Grantor shall execute such further documents as the Beneficiary shall require in connection therewith. All proceeds payable as a result of condemnation, loss, or damage to the Property shall be paid to the Beneficiary. On receipt of any proceeds, the Beneficiary shall, at its option, after deducting its expenses including attorneys' fees: apply all or part of the proceeds against the sums owed under this Deed of Trust whether or not the sums are actually due or the Property is impaired and without affecting the due dates or amount of payments thereafter due; or release all or any part of the proceeds to the Grantor; or permit all or any part of the proceeds to be used for repair and restoration of the Property on such conditions as the Beneficiary may impose, including evidence of sufficient funds to complete the work, approval of the plans and specifications, and periodic disbursement of the proceeds during the course of repair and restoration.

15. Hazardous Waste. The Grantor represents and warrants to the Beneficiary and Trustee that, to the best of Grantor's knowledge after due and diligent inquiry, no hazardous or toxic waste or substances are being stored on the Property or any adjacent property nor have any such waste or substances been stored or used on the Property or any adjacent property prior to the Grantor's ownership, possession, or control of the Property. The Grantor agrees to provide written notice to the Beneficiary immediately upon the Grantor becoming aware that the Property or any adjacent property is being or has been contaminated with hazardous or toxic waste or substances. The Grantor will not cause nor permit any activities on the Property that directly or indirectly could result in the Property or any other property becoming contaminated with hazardous or toxic waste or substances. For purposes of this Deed of Trust, the term "hazardous or toxic waste or substances" means any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic materials, a hazardous, toxic or radioactive substance, or other similar term by any applicable federal, state, or local statute, regulation, or ordinance now or hereafter in effect.

16. Modification: Waiver. No waiver of any right or remedy of the Beneficiary or the Grantor's obligation shall be effective unless in writing signed by the Beneficiary. No waiver of any right or remedy shall operate to waive any other or subsequently arising right or remedy. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive Beneficiary's right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay. This Deed of Trust cannot be modified except in writing signed by all parties except the Trustee, with the signatures of Grantor acknowledged before a Notary Public.

17. Successors and Assigns. This Deed of Trust applies to, inures to the benefit of, and binds all parties and their heirs, devisees, legatees, administrators, executors, distributees, successors, and assigns.

18. Invalidity. The invalidity or unenforceability of any term or provision shall not affect the validity or enforceability of any other term of provision.

19. Notices. Any demand or notice made or to be given hereunder by the Trustee or the Beneficiary or both to the Grantor shall be effective when delivered personally to the Grantor by person service or through common carrier (e.g. Fed Ex, UPS, or the US Postal Service) with proof of receipt to the address of the Grantor as set forth above or to the address at which the Beneficiary customarily or last communicated with the Grantor.


20. Use of Property. The Property is not used principally for agricultural purposes.


21. Governing Law. This Deed of Trust shall be construed in accordance with the laws of the State of Washington.

22. Priority. The lien of this Deed of Trust securing the Note shall at all times have priority over any other charge, lien or encumbrance against the secured Property to the extent allowed by law, unless otherwise mutually agreed upon in writing by the Beneficiary and Grantor.

WITNESS the hand of Grantors on the day and year first above written.

GRANTORS:


Nolan J. Radke



Gail A. Radke

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me **Nolan J. Radke**, to me known to be the person who executed the within and foregoing instrument and acknowledged said instrument to be his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 21 day of February 2023.




Signature of Notary
Print Notary's Name: Kendal Larive
Notary Public in and for the State of Washington,
residing at: Kirkland, WA
My commission expires: 6/26/26

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me **Gail Radke**, to me known to be the person who executed the within and foregoing instrument and acknowledged said instrument to be her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 7th day of February 2023.



Signature of Notary

Print Notary's Name: Kendal Larive

Notary Public in and for the State of Washington,
residing at: Kirkland WA

My commission expires: 6/26/26