

After Recording Return to:
MERCHANTS MORTGAGE NW, LLC
7400 East Crestline Circle #250
Greenwood Village, CO 80111
Attn: Operations

65735

GNW 24-21599 **COVERPAGE – DEED OF TRUST & FIXTURE FILING**

GRANTOR: ADEDAYO TOLULOPE OMOTUNDE

TRUSTEE: GUARDIAN NORTHWEST TITLE & ESCROW
1301-B Riverside Drive, Mount Vernon, WA 98273

BENEFICIARY: MERCHANTS MORTGAGE NW, LLC
7400 E. Crestline Circle, Suite 250, Greenwood Village, Colorado 80111.

Property Address: 3007 Rye Court, Anacortes, WA 98221

Abbreviated Legal Description: Lot 70, Skyline No. 10

Assessor's Property Tax Parcel Account Number(s): P59980/ 3826-000-070-0001

DEED OF TRUST & FIXTURE FILING

THIS DEED OF TRUST is made as of October 1, 2024, by and between ADEDAYO TOLULOPE OMOTUNDE, a married man and his separate estate having an address at 1500 Northeast Pierce Avenue, Renton, WA 98056 ("GRANTOR", whether one or more); and GUARDIAN NORTHWEST TITLE & ESCROW, whose address is 1301-B Riverside Drive, Mount Vernon, WA 98273 ("Trustee"); for the benefit of MERCHANTS MORTGAGE NW, LLC ("Beneficiary"), whose address is 7400 E. Crestline Circle, Suite 250, Greenwood Village, Colorado 80111.

1. Property in Trust. Grantor, in consideration of the indebtedness herein recited and the trust herein created, hereby grants and conveys to Trustee in trust, with power of sale, the following property located in the County of Skagit, State of Washington whether now owned or subsequently acquired by Grantor:

The real property described on Exhibit A-1 attached hereto and incorporated herein by reference (hereinafter referred to as "Real Estate"), together with the following (all of which shall be collectively referred to as the "Property"):

- a. All buildings, structures, and improvements of every kind now or hereafter located on the Real Estate;
- b. All rights-of-way, easements, and all other appurtenances to the Real Estate;
- c. All of Grantor's right, title and interest in any land lying between the boundaries of the Real Estate and the center line of any adjacent street, road, avenue, alley or public place, whether opened or proposed;
- d. All of Grantor's right, title and interest in any water and water rights, including fixtures and equipment necessary for the use of such water or water rights, including, but not limited to, water rights relating in any way to the real estate owned or claimed by Grantor, whether or not such water and water rights have been adjudicated, including all stock certificates or other documentation evidencing ownership of such water and water rights and all ditches, wells, reservoirs and drains and all such rights which are appurtenant to or which have been used in connection with the Real Estate. All such interests are and shall remain subject hereto without the express release thereof by Beneficiary regardless of any change in the use or character thereof whatsoever;
- e. All of Grantor's right, title and interest in all oil, gas, hydrocarbons, coal, sand, gravel, minerals or mineral rights, crops, timber, trees, shrubs, flowers, and landscaping features now or hereafter located on, under or above the Real Estate;
- f. All of Grantor's right, title and interest in all goods, machinery, appliances, apparatus, equipment, farm products, building materials, fittings, fixtures, (whether actually or constructively attached, and including all trade, domestic and ornamental fixtures) now or hereafter located in, upon or under the Real Estate and used or usable in connection with any present or future operation thereof, including, but not limited to, all heating, air conditioning, freezing, lighting, laundry, incinerating and power equipment, engines, pipes, pumps, tanks, motors, conduits, switchboards, plumbing, lift, cleaning, fire

prevention, fire extinguishing, refrigerating, ventilating, cooking, and communications apparatus, boilers, water heaters, ranges, furnaces, and burners, vacuum cleaning systems, elevators, escalators, shades, awnings, screens, storm doors and windows, stoves, refrigerators, attached cabinets, partitions, ducts and compressors, rugs and carpets, draperies and all additions, thereto and replacements therefor (exclusive of any of the foregoing owned or leased by lessees of space in the improvements);

- g. All awards and payments, including interest thereon, resulting from the exercise of any right of eminent domain or any other public or private taking of, injury to, or decrease in the value of, the Real Estate;
- h. All leases, licenses, concessions and occupancy agreements of the Property now or hereafter entered into and all the rents, royalties, issues, profits, revenue, income and other benefits of the Property now or hereafter arising from the use or enjoyment of all or any portion thereof or from any such lease, license, concession, occupancy agreement or other agreement pertaining thereto or arising from any of the personal property located on or used in connection with the Property, and all cash or securities deposited to secure performance by tenants, lessees or licensees, as applicable, of their obligations under any such leases, licenses, concessions or occupancy agreements, whether said cash or securities are to be held until the expiration of the terms of said leases, licenses, concessions or occupancy agreements or applied to one or more of the installments of rent coming due immediately prior to the expiration of said terms;
- i. All rights of every kind and nature held by or belonging to Grantor as declarant under any common interest community of any kind located on the Property, whether now in existence or created hereafter; and
- j. All other or greater rights and interests of every nature in the Real Estate and in the possession or use thereof and income therefrom, whether now owned or subsequently acquired by Grantor.
- k. This Deed of Trust shall also constitute a "fixture filing" for the purposes of the Uniform Commercial Code against all of the Property which is or is to become fixtures. Information concerning the security interest herein granted may be obtained at the addresses of Debtor (Grantor) and Secured Party (Lender) as set forth in the first paragraph of this Deed of Trust.

2. Note: Other Obligations Secured. This Deed of Trust is given to secure to Beneficiary:

(a) The repayment of the indebtedness evidenced by the note ("Note") given by Adedayo Tolulope Omotunde ("Borrower", whether one or more) dated as of October 1, 2024, in the principal sum of Five Hundred Thirty Nine Thousand Nine Hundred Sixty Three Dollars and No Cents (\$539,963.00), with all interest, fees and costs due in connection therewith. The Note is due and payable in full on September 25, 2025 ("Maturity Date").

(b) The payment of all other sums, disbursed by Beneficiary in accordance with this Deed of Trust to protect the security of this Deed of Trust

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(c) The payment of an Overdue Loan Fee if the Note is not paid in full at the Maturity Date, as more fully specified in the Note;

(d) The payment and performance of all other obligations of any or all of Borrower to Beneficiary, whether owed now or at any time in the future, all of which obligations shall be collectively referred to as "Additional Obligations"; and

(e) The covenants, representations, warranties and agreements of Borrower contained herein or in any other document, instrument or agreement executed in connection with the Note ("Loan Documents").

In the event of any default under the Note, this Deed of Trust, the Loan Documents or the Additional Obligations, the obligations owed shall accrue interest at the default rate of interest specified in the Note ("Default Rate").

3. Title. The undersigned covenant that Grantor owns and has the right to grant and convey the Property, and warrant title to the same, subject to general real estate taxes for the current year and subject to any easements, recorded declarations, restrictions, reservations and covenants, if any, disclosed on the title commitment pursuant to which a policy of title insurance in favor of Beneficiary is to be issued in connection with the Loan, if any, as of this date as reflected in the title commitment issued in connection with the Loan.

4. Representation of Non-Agricultural Use. Grantor represents and warrants that the Property is not used primarily for agricultural purposes.

5. Payment of Principal and Interest. Grantor shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and all other charges as provided in the Note and shall perform all of Grantor's other covenants and agreements contained in the Note and the Loan Documents.

6. Application of Payments. All payments received by Beneficiary under the terms hereof shall be applied to the Note or the Additional Obligations, as determined by Beneficiary in its sole discretion, in accordance with the terms and conditions of the Note and Loan Documents and the documents, instruments and agreements evidencing the Additional Obligations.

7. Prior Mortgages and Deeds of Trust; Charges; Liens. Grantor shall perform all of Grantor's obligations under any prior deed of trust and any other prior liens. Grantor shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may have or attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any, in the manner set out in paragraph 23 (Escrow Funds for Taxes and Insurance) or, if not required to be paid in such manner, by Grantor making payment when due, directly to the payee thereof. Despite the foregoing, Grantor shall not be required to make payments otherwise required by this paragraph if Grantor, after notice to Beneficiary, shall in good faith contest such obligation by, or defend enforcement of such obligation in legal proceedings which operate to prevent the enforcement of the obligation or forfeiture of the Property or any part thereof, only upon Grantor

making all such contested payments and other payments as ordered by the court to the registry of the court in which such proceedings are filed.

8. **Property Insurance.** Grantor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire or hazards included within the term "extended coverage" in an amount at least equal to the lesser of (1) the insurable value of the Property or (2) an amount sufficient to pay the sums secured by this Deed of Trust as well as any prior encumbrances on the Property. During the time of construction of any improvements on the Property, Grantor shall maintain Builder's Risk Insurance which insurance must include completed operations coverage and otherwise must be satisfactory to Beneficiary in all respects. All of the foregoing shall be known as "**Property Insurance**".

The insurance carrier providing the insurance shall be qualified to write Property Insurance in Washington and shall be chosen by Grantor subject to Beneficiary's right to reject the chosen carrier for reasonable cause. All insurance policies and renewals thereof shall include a standard mortgage clause in favor of Beneficiary, and shall provide that the insurance carrier shall notify Beneficiary at least ten (10) days before cancellation, termination or any material change of coverage. Insurance policies shall be furnished to Beneficiary at or before closing. Beneficiary shall have the right to hold the policies and renewals thereof.

In the event of loss, Grantor shall give prompt notice to the insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Grantor.

Insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Deed of Trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Deed of Trust would be impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Grantor. If the Property is abandoned by Grantor, or if Grantor fails to respond to Beneficiary within 30 days from the date notice is given in accordance with paragraph 16 (Notice) by Beneficiary to Grantor that the insurance carrier offers to settle a claim for insurance benefits, Beneficiary is authorized to collect and apply the insurance proceeds at Beneficiary's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in paragraphs 4 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) or change the amount of such installments. Notwithstanding anything herein to the contrary, if under paragraph 18 (Acceleration; Foreclosure; Other Remedies) the Property is acquired by Beneficiary, all right, title and interest of Grantor in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Beneficiary to the extent of the sums secured by this Deed of Trust immediately prior to such sale or acquisition.

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All of the rights of Grantor and Beneficiary hereunder with respect to insurance carriers, insurance policies and insurance proceeds are subject to the rights of any holder of a prior deed of trust with respect to said insurance carriers, policies and proceeds.

WARNING

Unless Grantor provides Beneficiary with evidence of the insurance coverage as required by this Section 7, Beneficiary may purchase insurance at Grantor's expense to protect Beneficiary's interest. This insurance may, but need not, also protect Grantor's interest. If the Property becomes damaged, the coverage Beneficiary purchases may not pay any claim Grantor makes or any claim made against Grantor. Grantor may later cancel this coverage by providing evidence that Grantor has obtained property coverage elsewhere.

Grantor is responsible for the cost of any insurance purchased by Beneficiary. The cost of this insurance may be added to Grantor's debt. If the cost is added to Grantor's debt, the interest rate on the Note will apply to this additional debt. The effective date of coverage may be the date Grantor's prior coverage lapsed or the date Grantor failed to provide proof of coverage.

The coverage Beneficiary purchases may be considerably more expensive than insurance Grantor can obtain on its own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

9. Preservation and Maintenance of Property; Changes to Legal Condition of Property; Environmental Representations, Warranties and Indemnities. Grantor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. Grantor shall perform all of Grantor's obligations under any declarations, covenants, by-laws, rules, or other documents governing the use, ownership or occupancy of the Property.

The Property will not hereafter be platted or subdivided, the legal description changed or modified, the number of legally divisible units thereof changed nor the Property be made subject to a common interest ownership declaration or a common interest community map. If Beneficiary's consent thereto is required or requested, Grantor shall promptly pay to Beneficiary the costs incurred by Beneficiary in reviewing same, including, but not limited to, Beneficiary's attorneys' fees and administrative charges and, if requested to do so by Beneficiary, shall deposit the estimated cost thereof with Beneficiary at the time Beneficiary's consent is requested. Beneficiary may collect an estimated amount at the time of closing of the Loan if the changes described in this paragraph 8 are contemplated, which amount shall be held by Beneficiary to be applied to Beneficiary's review costs. In the event Beneficiary's actual costs are less than the estimated amount collected, any excess funds shall be applied to the Note. In the event Beneficiary's actual costs are greater than the estimated amount collected, Beneficiary may, in its reasonable discretion, require payment of such costs upon completion of such review, payment of which may be a condition precedent to Beneficiary's consent or Beneficiary may defer payment of

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such costs until the earlier of the date the Note is paid in full or the Maturity Date, at which time such amount shall be due and payable in full.

Grantor covenants, represents, warrants and agrees to and with Beneficiary:

(a) That: (i) none of the Property is in direct or indirect violation of any local, state or federal law, rule or regulation pertaining to environmental regulation, contamination or clean up (collectively, "**Environmental Laws**"), including, without limitation, "CERCLA", "RCRA", state super lien and environmental clean up statutes; and (ii) none of the Property is subject to any private or governmental lien or judicial or administrative notice or action relating to hazardous and/or toxic substances, wastes, materials, pollutants or contaminants (including, without limitation, asbestos and raw materials which include hazardous constituents) and any other substances or materials which are included under or regulated by Environmental Laws (collectively, "**Hazardous Substances**");

(b) That Grantor shall indemnify Beneficiary and hold Beneficiary harmless from and against any and all expenses, damages and costs (including, without limitation, attorneys' fees and consequential damages) incurred by Beneficiary as a result of any Hazardous Substances on any of the Property or failure of any of the Property to comply with Environmental Laws, even if such expenses, damages and costs shall be incurred by Beneficiary after acquisition by Beneficiary of any of the Property through foreclosure or deed in lieu of foreclosure, and such indemnity shall survive payment in full of the indebtedness secured hereby and the release of this

(c) That none of the Property contains friable asbestos or other substance containing asbestos, except as has been disclosed to Beneficiary in writing;

(d) That Grantor shall indemnify Beneficiary and hold Beneficiary harmless from and against any and all expenses, damages and costs (including, without limitation, attorneys' fees) incurred by Beneficiary as a result of any asbestos or substances containing asbestos even if such expenses, damages and costs shall be incurred by Beneficiary after acquisition by Beneficiary of any of the Property through foreclosure or deed in lieu of foreclosure and such indemnity shall survive payment in full of the indebtedness secured hereby and the release of this Deed of Trust;

(e) That Grantor will comply with all the laws, acts, rules, regulations and orders of any federal, state, municipal, legislative, administrative or judicial body, commission or office exercising any power of regulation or supervision of Grantor or of the Property or the construction, use or operation thereof; provided however, that Grantor may contest any such law, act, rule, regulation or order in any reasonable manner which will not affect the interest of Beneficiary in any part of the Property; and

(f) That Grantor shall not suffer or permit any capital repairs replacements or improvements to be built upon the Property, without the express prior consent of Beneficiary.

9. Protection of Beneficiary's Security. Except when Grantor has exercised Grantor's rights under paragraph 6 above, if the Grantor fails to perform or otherwise breaches the covenants, agreements, representations or warranties contained in the Loan Documents or in this Deed of Trust, or if a default occurs in a prior lien, or if any action or proceeding is commenced which materially affects Beneficiary's interest in the Property, then Beneficiary, at Beneficiary's option, with reasonable notice to Grantor under all of the circumstances (including no notice to Grantor in exigent circumstances), may make such appearances, disburse such sums and take such action as is necessary to protect Beneficiary's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs. Grantor hereby assigns to Beneficiary any right Grantor may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance.

Any amounts disbursed by Beneficiary pursuant to this paragraph 9, with interest thereon, shall become additional indebtedness of Grantor secured by this Deed of Trust. Such amounts shall be payable within ten days of written notice from Beneficiary to Grantor requesting payment thereof and Beneficiary may bring suit to collect any amounts so disbursed plus interest thereon at the Default Rate. Nothing contained in this paragraph 9 shall require Beneficiary to incur any expense or take any action hereunder.

10. Inspection. Beneficiary may make or cause to be made reasonable entries upon and inspection of the Property, provided that Beneficiary shall give Grantor notice prior to any such inspection specifying reasonable cause therefor related to Beneficiary's interest in the Property.

11. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Beneficiary as herein provided. However, all of the rights of Grantor and Beneficiary hereunder with respect to such proceeds are subject to the rights of any holder of a prior deed of trust.

In the event of a total or partial taking of the Property, the proceeds shall be applied to the sums secured by this Deed of Trust, with the excess, if any, paid to Grantor.

If the Property is abandoned by Grantor, or if, after notice by Beneficiary to Grantor that the condemnor offers to make an award or settle a claim for damages, Grantor fails to respond to Beneficiary within thirty (30) days after the date such notice is given, Beneficiary is authorized to collect and apply the proceeds, at Beneficiary's option, either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

Any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in paragraphs 4 (Payment of Principal and Interest) and 23 (Escrow Funds for Taxes and Insurance) nor change the amount of such installments.

12. Grantor Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Deed of Trust granted by Beneficiary to any successor in interest of Grantor shall not operate to release, in any manner, the liability of the original

Grantor, nor Grantor's successors in interest, from the original terms of this Deed of Trust. Beneficiary shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Deed of Trust by reason of any demand made by the original Grantor nor Grantor's successors in interest.

13. Forbearance by Beneficiary Not a Waiver. Any forbearance by Beneficiary in exercising any right or remedy hereunder, or under any of the Loan Documents otherwise afforded by law, shall not be a waiver or preclude the exercise of any such right or remedy.

14. Remedies Cumulative. Each remedy provided in the Note, this Deed of Trust and the Loan Documents is distinct from and cumulative to all other rights or remedies under the Note, this Deed of Trust and the Loan Documents or afforded by law or equity, and may be exercised concurrently, independently or successively.

15. Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Beneficiary and Grantor, subject to the provisions of paragraph 24 (Transfer of the Property). If there is more than one person comprising Grantor, all covenants, agreements, representations and warranties of Grantor shall be joint and several. The captions and headings of the paragraphs in this Deed of Trust are for convenience only and are not to be used to interpret or define the provisions hereof.

16. Notice. Except for any notice required by law to be given in another manner, (a) any notice to Grantor provided for in this Deed of Trust shall be in writing and shall be given and be effective upon (1) delivery to Grantor or (2) three days after mailing such notice by first-class U.S. mail, addressed to Grantor at Grantor's address stated herein or at such other address as Grantor may designate by notice to Beneficiary as provided herein, and (b) any notice to Beneficiary shall be in writing and shall be given and be effective upon (1) delivery to Beneficiary or (2) three days after mailing such notice by first-class U.S. mail, to Beneficiary's address stated herein or to such other address as Beneficiary may designate by notice to Grantor as provided herein. Any notice provided for in this Deed of Trust shall be deemed to have been given to Grantor or Beneficiary when given in any manner designated herein.

17. Governing Law; Severability. This Deed of Trust has been delivered in Arapahoe County, Colorado. Upon Beneficiary's request, the venue of any legal action in connection with the Note or the Loan Documents shall be the Arapahoe County, Colorado District Court. The provisions of this Deed of Trust and all rights and obligations of the parties hereunder shall be governed by and construed in accordance with the internal laws of the State of Colorado, and to the extent they preempt such laws, the laws of the United States; provided, that if any covenant, agreement or waiver on the part of Grantor or right or remedy of Beneficiary shall be invalid or unenforceable under such laws, but would be valid and enforceable under the internal laws of Washington, the internal laws of Washington shall apply. The internal laws of Washington shall apply to the appointment of trustees, to the creation of liens and to any foreclosure, foreclosure sale, trustee's sale, appointment of a receiver or other remedy with respect to that portion of the Property consisting of real property. In the event

that any provision or clause of this Deed of Trust, the Note or the Loan Documents conflicts with the law, such conflict shall not affect other provisions of this Deed of Trust, the Note or the Loan Documents which can be given effect without the conflicting provision, and to this end the provisions of the Deed of Trust, Note and Loan Documents are declared to be severable.

18. Acceleration; Foreclosure; Other Remedies. Except as provided in paragraph 24 (Transfer of the Property), upon Grantor's breach of any covenant or agreement of Grantor in this Deed of Trust, or upon any default in a prior lien upon the Property (unless Grantor has exercised Grantor's rights under paragraph 6 above), or upon the death of any Grantor, or the dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceedings under any bankruptcy or insolvency laws of, by or against any Grantor, at Beneficiary's option, all of the sums secured by this Deed of Trust shall accrue interest at the Default Rate and shall be immediately due and payable ("**Acceleration**"). To exercise the option of Acceleration, Beneficiary may invoke the power of sale and any other remedies permitted by law. Beneficiary shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Deed of Trust, including, but not limited to, reasonable attorney's fees.

If Beneficiary invokes the power of sale, Beneficiary shall give written notice to Trustee of such election. Trustee shall give such notice to Grantor of Grantor's rights as is provided by law. Notice of any Trustee's sale shall be mailed to Grantor at the address set forth above. After the lapse of such time as may be required by law, Trustee, without demand on Grantor, shall sell the Property at public auction to the highest bidder for cash, in the manner required by law. Beneficiary may elect to have any part of the Property which is personal property sold pursuant to the power of sale or foreclosed together with the real property. Beneficiary or Beneficiary's designee may purchase the Property at any sale. It shall not be obligatory upon the purchaser at any such sale to see the application of the purchase money. The purchaser at the Trustee's sale will be entitled to immediate possession of the Property and shall have the right to summary proceedings to obtain possession, together with costs and reasonable attorneys fees.

Trustee shall apply the proceeds of the sale in the following order; (a) to all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all sums secured by this Deed of Trust; and (c) the excess, if any, to the person or persons legally entitled thereto. To the extent permitted by law, an action may be maintained by Beneficiary to recover a deficiency judgment of any balance due hereunder.

19. Intentionally Omitted.

20. Assignment of Rents; Appointment of Receiver; Beneficiary in Possession. As additional security hereunder, Grantor hereby assigns to Beneficiary the rents of the Property; however, Grantor shall, prior to Acceleration under paragraph 18 (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Beneficiary shall be entitled to a receiver for the Property after Acceleration under paragraph 18, (Acceleration; Foreclosure; Other Remedies), and shall also be so entitled during the time covered by foreclosure proceedings and the period of redemption, if any; and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of Grantor or of the then owner of the Property, and without regard to the value thereof. Such receiver may be appointed by any Court of competent jurisdiction upon ex parte application and without notice -- notice being hereby expressly waived.

Upon Acceleration under paragraph 18, (Acceleration; Foreclosure; Other Remedies) or abandonment of the Property, Beneficiary, in person, by agent or by judicially-appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Beneficiary or the receiver shall be applied, first, to payment of the costs of preservation and management of the Property, second, to payments due upon prior liens, and then to the sums secured by this Deed of Trust. Beneficiary and the receiver shall be liable to account only for those rents actually received.

21. Release. Upon payment of all sums secured by this Deed of Trust (provided Grantor has requested the Note be canceled), Beneficiary shall cause Trustee to release this Deed of Trust. Grantor shall pay all costs of recordation and shall pay the statutory Trustee's fees.

22. Waiver of Exemptions. Grantor hereby waives all right of homestead and any other exemption in the Property under state or federal law presently existing or hereafter enacted.

23. Escrow Funds for Taxes and Insurance. This paragraph 23 is not applicable if Funds as defined below are being paid pursuant to a prior encumbrance. Upon Beneficiary's demand therefor, subject to applicable law, Grantor shall pay to Beneficiary, on each day payments are payable under the Note, until the Note is paid in full, a sum (herein referred to as "Funds") equal to 1/12th of the yearly taxes and assessments which may attain priority over this Deed of Trust, plus 1/12th of yearly premium installments for Property Insurance, all as reasonably estimated initially and from time to time by Beneficiary on the basis of assessments and bills and reasonable estimates thereof, taking into account any excess Funds not used or shortages.

The principal of the Funds shall be held by the Beneficiary in trust for the benefit of the Grantor and deposited in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency. Beneficiary shall apply the Funds to pay said taxes, assessments and insurance premiums. Beneficiary may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills. Beneficiary shall not be required to pay Grantor any interest or earnings on the Funds. Beneficiary shall give to Grantor, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Deed of Trust.

If the amount of the funds held by Beneficiary shall not be sufficient to pay taxes, assessments and insurance premiums as they fall due, Grantor shall pay to Beneficiary any amount

necessary to make up the deficiency within 15 days from the date notice is given in accordance with paragraph 16 (Notice) by Beneficiary to Grantor requesting payment thereof.

Upon payment in full of all sums secured by this Deed of Trust, Beneficiary shall simultaneously refund to Grantor any Funds held by Beneficiary. If under paragraph 18 (Acceleration; Foreclosure; Other Remedies) the Property is sold or the Property is otherwise acquired by Beneficiary, Beneficiary shall apply, no later than immediately prior to the sale of the Property or its acquisition by Beneficiary, whichever occurs first, any Funds held by Beneficiary at the time of application as a credit against the sums secured by this Deed of Trust.

24. Transfer of the Property. The following events shall be referred to herein as a "Transfer": (i) a transfer or conveyance of title (or any portion thereof, legal or equitable) of the Property (or any part thereof or interest therein) including without limitation the imposition of any liens or encumbrances without the prior written consent of Beneficiary regardless of the fact that such liens are junior to the interest in favor of Beneficiary created hereby; (ii) or an agreement granting a possessory right in the Property (or any portion thereof), in excess of three (3) years; (iii) a sale or transfer of, or the execution of a contract or agreement creating a right to acquire or receive any of the membership, management, ownership or beneficial interests in any of Grantor; and (iv) the reorganization, liquidation or dissolution of any of Grantor. In the event of each and every Transfer, Beneficiary may, but is not obligated, to exercise its option of Acceleration. Should Beneficiary not elect to exercise its right of Acceleration upon the occurrence of such Transfer then, the mere fact of a lapse of time or the acceptance of payment or subsequent to any of such events, whether or not Beneficiary had actual or constructive notice of such Transfer, shall not be deemed a waiver of Beneficiary's right to make such election nor shall Beneficiary be estopped therefrom by virtue thereof. The issuance on behalf of the Beneficiary of a routine statement showing the status of the loan, whether or not Beneficiary had actual or constructive notice of such Transfer, shall not be a waiver or estoppel of Beneficiary's said rights.

25. Additional Provisions.

(a) Notwithstanding anything to the contrary contained herein and so long as there is no default under the Loan, Grantor shall be entitled to partial releases of any legally subdivided and legally separable part of the Property provided Grantor shall pay a partial release price to Beneficiary for each part so released in an amount equal to the greater of: (i) ninety percent (90%) of the appraised value of such part, as determined by an appraiser satisfactory to Beneficiary in Beneficiary's sole discretion or (ii) one hundred percent (100%) of the net proceeds from the sale to a bona fide purchaser in an arms length transaction of the part to be so released. As used herein, net proceeds shall mean the gross sales price less reasonable and customary closing costs, which costs shall not exceed eight percent (8%) of the gross sale price.

(b) Successor Trustee. Beneficiary may appoint a successor Trustee in the manner prescribed by law. A successor Trustee herein shall, without conveyance from the predecessor Trustee, succeed to all the predecessor's title, estate, rights, powers, and duties. Trustee may resign by mailing or delivering notice thereof to Beneficiary and Grantor.

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(c) Trustee's Acceptance. Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. 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, Beneficiary or Trustee shall be a party unless brought by Trustee.

(d) Anti-Merger Provisions. The rights, benefits and obligations inuring to Beneficiary by virtue of this Deed of Trust are completely separate and distinct from the rights, benefits and obligations inuring to Beneficiary in connection with any other deed of trust which may, currently or in the future, encumber the Property and any and all instruments, documents and agreements executed in connection with any such deed of trust. The parties intend that the rights, benefits and obligations of this Deed of Trust shall not be merged in any manner, including, but not limited to the foreclosure of this Deed of Trust or of any other deed of trust originated or held by Beneficiary. The parties intend the language of this section to be construed as broadly as possible in favor of Beneficiary and preclude any merger of Beneficiary's interests.

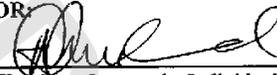
(e) JURY TRIAL WAIVER. GRANTOR (AND EACH PERSON COMPRISING GRANTOR) HEREBY WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY DISPUTE ARISING IN CONNECTION WITH THE NOTE, THIS DEED OF TRUST, OR IN ANY WAY RELATED TO THE NEGOTIATION, ADMINISTRATION, MODIFICATION, EXTENSION OR COLLECTION OF THE INDEBTEDNESS SECURED HEREBY, INCLUDING WITHOUT LIMITATION IN THE ENFORCEMENT OF THIS DEED OF TRUST.

26. Grantor's Copy. Grantor acknowledges receipt of a copy of the Note and this Deed of Trust.

27. Future Advances. This Deed of Trust secures future advances to the extent provided for in the Note or other Loan Documents

DATED AS OF October 1, 2024.

GRANTOR:



Adedayo Tolulope Omotunde, Individually

Deed of Trust (Skagit County

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EXHIBIT A-1

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON AND IS DESCRIBED AS FOLLOWS:

LOT 70, "SKYLINE NO. 10," AS PER PLAT RECORDED IN VOLUME 9 OF PLATS, PAGES 117 THROUGH 120, INCLUSIVE, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN THE CITY OF ANACORTES, COUNTY OF SKAGIT, STATE OF WASHINGTON.

and commonly known as 3007 Rye Court, Anacortes, WA 98221

PLANNED UNIT DEVELOPMENT RIDER
(Washington)

THIS PLANNED UNIT DEVELOPMENT RIDER is incorporated into and shall be deemed to amend and supplement the Deed of Trust or Mortgage of the same date ("**Security Interest**") given by the undersigned ("**Borrower**", whether one or more) to secure Borrower's Promissory Note to Merchants Mortgage NW, LLC ("**Lender**") of the same date and covering the Property described in the Security Interest. The Property, or a portion thereof, is part of a planned unit development ("**PUD**"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD ("**Owners Association**") and the uses, benefits and proceeds of Borrower's interest.

PUD COVENANTS. In addition to the covenants and agreements made in the Security Interest, Borrower and Lender further covenant and agree as follows:

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "**Constituent Documents**" are the: (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then:

(i) Borrower's obligation to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy;

(ii) Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage provided by the master or blanket policy; and

(iii) In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Interest with any excess paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Interest as provided therein.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain;

Planned Unit Development Rider (Washington)

(ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender;

(iii) termination of professional management and assumption of self-management of the Owners Association; or

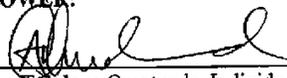
(iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Interest. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Default Rate described in the Security Interest and shall be payable, with interest, upon notice from Lender to Borrower requesting payment thereof.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in the PUD Rider.

DATED AS OF: October 1, 2024.

BORROWER:



Adedayo Tolulope Omotunde, Individually