

When recorded return to:

Craig Sjostrom
1204 Cleveland Avenue
Mount Vernon, Washington 98273

DEED OF TRUST

Grantor: Family Roots Properties LLC

Chicago Title
620061029

Grantee:

1. **Beneficiary:** TLB Family Properties LLC

2. **Trustee:** Chicago Title Inc. Co.

Legal Description: ptn N 46 rods GL 9 19-34N-4EWM

(Additional legal description located on Exhibit A)

Assessor's Property Tax Parcel or Account No.: P26378

Reference Nos of Documents Assigned or Released: N/A

Grantor bargains, sells, and conveys to Trustee, whose address is 425 Commercial St., Mount Vernon, Washington 98273, in Trust, with power of sale, right of entry and possession and for the benefit of Beneficiary, whose address is 1777 S. Burlington Blvd. #215, Burlington, WA 98233, all of Grantor's right, title and interest in and to the real estate described in Exhibit A which is incorporated by this reference, together with all buildings and improvements; all easements, rights of way, and appurtenances; all water, water rights, and ditch rights; and all other rights relating to the subject real property, situated in Mount Vernon, Skagit County, Washington.

The described real property is not used principally for agricultural purposes (which is defined as an operation to produce crops, livestock or aquatic goods), together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof. Grantor warrants and represents that the loan is for commercial purposes only and no portion of the land is occupied by Grantor as Grantor's principal residence. Grantor agrees that upon full payment of the debt, Grantor will be responsible for the costs of reconveyance of this Deed of Trust.

This deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of One Million Two Hundred Eighty Thousand Dollars (\$1,280,000), in accordance with the terms of a Promissory Note of even date herewith, payable to Beneficiary or order, and made by Grantor. This Deed further secures 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. The term "Grantor" as used in this agreement

Deed of Trust

-1-

includes the "Borrower" as defined in RCW 61.24, if the Borrower is a person or entity other than the Grantor.

To protect, the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereof; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by FIRE, OPEN PERILS/SPECIAL PERILS OR OTHER HAZARDS IN AN AMOUNT NOT LESS THAN THE TOTAL DEBT SECURED BY THIS DEED OF TRUST. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. Beneficiary's approval shall not be unreasonably withheld. 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. Grantor shall provide proof of such insurance upon demand by Beneficiary. All such insurance shall be issued by carriers acceptable to Beneficiary and shall contain a provision whereby the carrier agrees not to cancel or modify the insurance without 20 days prior written notice to Beneficiary.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. **Attorneys' Fees, Expenses.** If beneficiary institutes any suit or action to enforce any of the terms of this Deed of Trust, Beneficiary shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and on any appeal. Whether or not any court action is involved, all reasonable expenses incurred by beneficiary, which in beneficiary's opinion are necessary at any time for protection of its interests or the enforcement of its rights, shall become part of the indebtedness payable on demand and shall bear interest at the same rate as provided in the Promissory Note from the date of expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, beneficiary's attorneys' fees whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction) appeals, and any anticipated post-judgment collection services, the costs of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, appraisal fees (including those related to any action for a deficiency judgment), title insurance and fees for the trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all of the sums provided

by law.

6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

7. **Due on Sale Clause.** Beneficiary may, at its option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer of all or any part of the real property, or any interest therein, without the Beneficiary's prior written consent. A "sale or transfer" means the conveyance of any property or any right, title or interest therein; whether legal or equitable, whether voluntary or involuntary, by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than ten years, lease/ option to purchase contract; sale, assignment or transfer of any beneficial interest in or to any land trust holding title to the real property or any other method of conveyance of real property interests. A sale of the corporation, limited liability company or partnership interest greater than 49% of the voting stock, partnership interests, or member interests after date of the recording the Deed of Trust or dilution of the current voting stock, partnership or member interests through issuance of additional shares or interests shall likewise constitute a "transfer". A "sale or transfer" does not mean a conveyance to any of Donald Wetsch's spouse or lineal descendants, including conveyances by operation of law. In the case of a conveyance or contract to convey, the interest shall likewise increase to the default amount or the holder may consent to the conveyance or contract to convey and increase the interest rate provided for herein. However, this option shall not be exercised by Beneficiary if exercise is prohibited by federal or Washington law.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantors and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Pursuant to RCW 62A.9-501(4), if this deed of trust encumbers both real and personal property, the trustee is authorized to sell all or any portion of the grantor's interest in the real and personal property at the trustee's sale. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the

Deed of Trust

-3-

proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he 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 the Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bonafide purchaser and encumbrancers for value.

6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. In the event of a death, incapacity, disability or resignation of Trustee or the election of the beneficiary to replace the trustee, Beneficiary may appoint in writing a successor Trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantors, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs/devisees, legatees, administrators, executors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

9. As additional security, Grantor hereby give and confer upon Beneficiary the right, power, and authority, during the continuance of this trust, to collect the property income, reserving to Grantor the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such property income as it becomes due and payable. Upon any such default, Beneficiary may at any time, without notice, either in person, by agent, or by a receiver, to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name, sue for or otherwise collect such property income, including that past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such property income, and the application thereof, as aforesaid, shall not cure or waive any default or notice of trustee's sale hereunder or invalidate any act done pursuant to such notice.

10. **Waiver of Homestead Exemption.** Grantor hereby releases and waives all rights and benefits of the Homestead Exemption laws of the state of Washington as to all indebtedness secured by this Deed of Trust.

Grantor's Address for Notices and Service of Process: 396 Cambrae Drive, Camano Island, WA 98292

DATED: 01/29/2026

FAMILY ROOTS PROPERTIES LLC

By: Donald Wetsch
DONALD WETSCH, Member/ Manager

Arizona
STATE OF ~~WASHINGTON~~ Arizona
Maricopa
COUNTY OF ~~SEACOTT~~ Maricopa

On this 29 day of January 2026, before me personally appeared Donald Wetsch, to me known to be a member or manager of Family Roots Properties LLC, the limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of the said limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument on behalf thereof.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year first above written.

Dawn M. Tyson
NOTARY PUBLIC in and for the State of ~~Washington~~ Arizona, residing
at Maricopa County Arizona
My commission expires: 09/30/2028
Name: Dawn M. Tyson



LEGAL DESCRIPTION

Order No.: 620061029

For APN/Parcel ID(s): P26378 / 340419-0-065-0007

That portion of the North 46 rods of Government Lot 9 in Section 19, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the North line of said Government Lot 9 with a line drawn parallel with and 25 feet Northwesterly, when measured at right angles from the centerline of Seattle & Montana Railway (now Great Northern Railway Co.);
thence West 400 feet;
thence South 300 feet;
thence East to a point on a line drawn parallel with and 25 feet Westerly, when measured at right angles from the centerline of Seattle & Montana Railway right of way;
thence North along said right of way to Point of Beginning,

EXCEPT the Easterly 50 feet thereof,

AND EXCEPT that portion conveyed to the City of Mount Vernon for street purposes by Deed dated May 22, 1956, recorded June 20, 1956, Under Auditor's File No. 537661, and by Deed recorded May 19, 1997, under Auditor's File No. 9705190068.

Situated in Skagit County, Washington.