

When recorded return to:

First American Exchange of Skagit County
26135 Minkler Road
Sedro Woolley, WA 98284
(360) 770-4825

DEED OF TRUST

(For use in the State of Washington only) GNW 20-7972

THIS DEED OF TRUST, made on November 10, 2020 between

Wesley Sutherland and Mary Sutherland, a married couple,
as GRANTOR(S),
whose address is 1237 Beet Road, Walla Walla, WA 99362

and

Guardian Northwest Title and Escrow
as TRUSTEE,
whose address is 1301-B Riverside Drive, Mount Vernon, WA 98273

and

First American Exchange of Skagit County
as BENEFICIARY,
whose address is 1301 Riverside Drive, Ste B, Mount Vernon, WA 98273

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Skagit County, Washington:

FOR PROPERTY DESCRIPTION SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART
HEREOF.

ptn NE Sec 17, the SE Sec 8 and GL7 Sec 9 all in Twp 35 R 4
Tax Parcel Number(s): P44011, P96422, P100928, P118403 and P96424

which real property is not used principally for agricultural or farming purposes, 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.

This deed is for the purpose of securing performance of each agreement of Grantor(s) herein contained, and payment of the sum of **SEVEN HUNDRED THOUSAND AND 00/100** Dollars (\$700,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made

by Grantor(s), and all renewals, modifications, and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of his/her/their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):


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 thereon; to restore promptly any building, structure, or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.
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 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(s). 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(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
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. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should Grantor(s) 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. NO FURTHER ENCUMBRANCES: (OPTIONAL - Not applicable unless initialed by Grantor and Beneficiary.). As an express condition of Beneficiary making the loan secured by this Deed of Trust, Grantor shall not further encumber, pledge, mortgage, hypothecate, place any lien, charge or claim upon, or otherwise give as security the property or any interest therein nor cause or allow by operation of law the encumbrance of the Trust Estate or any interest therein without the written consent of a Beneficiary even though such encumbrance may be junior to the encumbrance created by this Deed of Trust. Encumbrance of the property contrary to the provisions of this provision shall constitute a default and Beneficiary may, at Beneficiary's option, declare the entire balance of principal and interest immediately due and payable, whether the same be created by Grantor or an unaffiliated third party asserting a judgment lien, mechanic's or materialmen's lien or any other type of encumbrance or title defect.

WJ MBS
Grantor initials

JL TC
Beneficiary initials

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 Grantor(s) 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(s) in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (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(s) had or had the power to convey at the time of his/her/their execution of this Deed of Trust, and such as he/she/they may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and 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 the death, incapacity, disability, or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), 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 his/her/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.

Dated: 11-10-20
Wesley Sutherland
Mary Sutherland

STATE OF WASHINGTON
COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that Wesley Sutherland and Mary Sutherland are the persons who appeared before me, and said person acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 10th day of November, 2020

Theresa R Johnson
Signature

Notary
Title

My appointment expires: 4-29-23

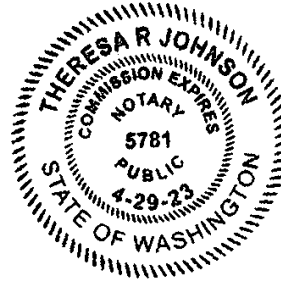


EXHIBIT A**LEGAL DESCRIPTION**

Property Address: 43950 South Skagit Highway, Concrete, WA 98237
Tax Parcel Number(s): P44011, P96422, P100928, P118403 and P96424

Property Description:**Property 1:****Parcel "A":**

The North 1/2 of the Northeast 1/4 of Section 17, Township 35 North, Range 8 East., W.M.

Parcel "B":

Those portions of the Southeast 1/4 of the Southeast 1/4 of Section 8, and of Government Lot 7 of Section 9 all in Township 35 North, Range 8 East, W/M., lying South of the South Skagit Highway; EXCEPT the three following described portions thereof:

- 1) Mineral Rights as reserved on deed recorded as Skagit County Auditor's File No. 435350;
- 2) Beginning at a point on the North-South centerline of said Section 8, where said centerline intersects the South right-of-way line of County Road No. 360, commonly known as the South Skagit Highway; thence North 85° 04' East along said right-of-way line 1,000.0 feet; thence South 4° 56' East 200.0 feet; thence South 85° 04' West parallel with said right-of-way line to the centerline of said Section 8; thence North 0° 01' 29" East along said centerline to the point of beginning.
- 3) Beginning at the Southwest corner of that certain parcel conveyed to Skagit County by Quit Claim deed dated April 2, 1954, recorded as Auditor's File No. 500631; thence South 00° 26' 59" East along the West line of said subdivision, a distance of 385.07 feet to the South 1/4 corner of said Section 8; thence South 86° 08' 54" East along the South line of said Section 8, a distance of 1,000.00 feet; thence North 01° 15' 52" East, a distance of 548.72 feet to the Southeast corner of said parcel conveyed to Skagit County; thence South 84° 33' 55" West along the South line of said parcel, a distance of 1,017.45 feet to the Point of Beginning.

NONRECOURSE OBLIGATION. This Deed of Trust is nonrecourse as to SEAS Holding, L.L.C. and SEAS Holding, L.L.C. shall have no personal obligation to pay the Note or to personally perform the obligations of the Granter under this Deed of Trust. SEAS Holding, L.L.C. shall have no liability to Lender for breach of any representation or covenant relating to environmental or title matters. Lender shall not have the right to sue SEAS Holding, L.L.C. on the Note or to otherwise seek or obtain a money judgment or deficiency of any kind against SEAS Holding, L.L.C. However, Lender may name SEAS Holding, L.L.C. as a defendant in any foreclosure proceeding for the purpose of foreclosing SEAS Holding, L.L.C.'s interest in the Property. Nothing contained herein shall be deemed to modify or restrict Lender's rights or remedies against guarantors or other persons or entities who may be personally obligated to pay the Note and/or to perform the obligations of the Granter under this Deed of Trust.

CONSENT TO CONVEYANCE. It is anticipated that Granter will convey the Property on completion of a 1031 exchange transaction. Lender hereby consents to that conveyance on the condition that Granter gives notice of the conveyance to Lender prior to recording the conveyance. Lender agrees that such a conveyance will not constitute an Event of Default under this Deed of Trust or the Note secured hereby.

1031 EXCHANGE. This loan is part of a Section 1031 Tax Deferred Exchange. The Borrower is the Taxpayer and SEAS Holding, L.L.C. is the Facilitator. This loan is for the purpose of acquiring replacement property in connection with said exchange. It is a requirement that no funds from said loan are paid directly to the Taxpayer, but rather shall be exclusively used for the above stated purposes. Said funds will be disbursed to or under the direction of the Facilitator in accordance with the Exchange Agreement with Taxpayer and the Loan Agreement with the Lender.

REQUEST FOR FULL RECONVEYANCE - *Do not record. To be used only when note has been paid.*

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

