

**AFTER RECORDING RETURN TO:**

David B. Johnson  
P.O. Box 1416  
Marysville, WA 98270

**Document Title**

Deed of Trust

**Grantor/Borrower**

Jasper White, an unmarried person

CHICAGO TITLE  
020046142

**Grantee/Lender**

David B. Johnson and Erin Johnson, husband and wife

Chicago Title Insurance Company, Trustee

**Legal Description:**

LOT 47, BLOCK G, CAPE HORN ON THE SKAGIT, DIVISION NO. 2, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 9 OF PLATS, PAGES 14 THROUGH 19, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON

**Assessor's Property Tax Parcel Number:**

P63255/3869-007-047-0004

**DEED OF TRUST**

**DEFINITIONS:**

Words used in multiple sections of this document are defined below and other words are defined in Sections 4, 9, 10, 14 and 17. Certain rules regarding the usage of words used in this document are also provided in Section 13.

**Security Instrument** means this document, which is dated April 1, 2021.

**Grantor/Borrower** is Jasper White, an unmarried person. Borrower is the trustor under this Security Instrument.

**Grantee/Lender** is David B. Johnson and Erin Johnson, husband and wife.

**Trustee** is Chicago Title Insurance Company.

**Note** means the promissory note signed by Borrower and dated April 1, 2021 in the amount of FIFTEEN THOUSAND NINE HUNDRED NINETY AND NO/100 DOLLARS (\$15,990.00) and all amendments thereto.

**Loan** means the amounts borrowed or advanced as provided for in the Note.

Initials of Borrower/Grantor JW Date 4/21

**Loan Documents** means the Note and this Deed of Trust and any other documents or agreements evidencing or securing the Loan or executed in connection with the Loan collectively.

### **TRANSFER OF RIGHTS IN THE PROPERTY**

This Security Instrument secures to Lender (i) the repayment of the Loan and all renewals, extension and modifications of the Note, (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note and (iii) the repayment of any future advances, with interest, which are secured by this Security Instrument. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, for the benefit of the Lender, with the power of sale with right of entry and possession, the following described property located in the County of Skagit:

LOT 47, BLOCK G, CAPE HORN ON THE SKAGIT, DIVISION NO. 2, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 9 OF PLATS, PAGES 14 THROUGH 19, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON

Together with all the improvements now or hereafter erected on the property, and all easements, appurtenances, fixtures, systems, and articles of personal property now or hereafter attached to or used or adapted for use in the operation of said premises along with rents, issues, income, revenues, royalties, rights, (including but not limited to declarants rights and special declarants rights) privileges and profits now or in the future derived from the ownership, use, management, operation or occupancy of the property. This Security Instrument shall also cover all replacements and additions. All of the foregoing is referred to in this Security Instrument as the "Property." BORROWER REPRESENTS AND WARRANTS THE REAL PROPERTY IS NOT USED PRINCIPALLY FOR AGRICULTURAL PURPOSES.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for the encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances.

Borrower and Lender covenant and agree as follows:

- 1. Payment of Principal, Interest and Late Charges.** Borrower shall pay when due the principal and interest on the debt evidenced by the Note and any late charges or other charges due under the Note. Payments are deemed received by lender when received at the location designated in the Note or at such other location as may be designated by Lender.
- 2. Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) late charges and or other charges due (b) interest due under the Note; and then (c) principal under the Note. Amounts received and applied to interest and principal shall be applied to each required monthly payment in the order in which the payments became due.

If Lender receives a payment from Borrower for a delinquent periodic payment that includes a sufficient amount to pay all late and other charges due, the payment will be applied such charge(s) and then the delinquent payment. If more than one periodic payment is outstanding, Lender may apply any payment received from Borrower first to late or other charges due and then to the periodic payments due. To the extent that any excess exists after the payment is applied to late or other charges due, and the full payment of all outstanding periodic payments due including default interest, such excess will be applied to the principal balance.

- 3. Charges, Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property that can attain priority over this Security Instrument,

Initials of Borrower/Grantor JW Date 4/2/21

leasehold payments or ground rents on the Property, if any, and condominium association or community association dues, fees, and assessments, if any. Should Borrower fail to pay any of the above-mentioned items when due, Lender 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.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien, which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one of more of the actions set forth in this Section 3.

**4. Reserve Account.** As additional security for the Loan and Borrower's obligations under the Note and this Deed of Trust, Borrower shall establish and maintain a Reserve Account to be held by the Lender (or other loan servicing agent) for the purpose of paying obligations and assessments which can attain priority over this Deed of Trust. ("Reserve Items"). At loan origination, Borrower will make an initial deposit sufficient to establish a properly funded Reserve Account in an amount calculated by Lender based on the closing date and the following amounts:

- (a) estimated annual real estate property tax amount
- (b) the annual cost of any other amount or assessment that can obtain priority over this Deed of Trust.

Thereafter, on each Monthly Payment date, Borrower shall pay, the total of the following with the regularly scheduled Monthly Payment:

- (a) one twelfth of the annual real estate property taxes due in the future
- (b) one twelfth of any other amount or assessment that can obtain priority over this Deed of Trust.

The above amounts will be estimated by Lender (or other loan servicing agent) if the actual annual amounts are not available.

Borrower shall ensure that Lender receives, at least 30 days prior to the due date, all invoices for the Reserve Items. So long as no Event of Default has occurred and Lender has received all invoices for Reserve Items, Lender shall pay all Reserve Items included in the Reserve Account collections. Lender (or loan servicing agent) shall analyze the Reserve Account at least annually and adjust the Borrower's payment as needed so that available funds will meet obligations as they come due. Excess funds in the Reserve Account shall be retained for upcoming Reserve Item obligations or with Lender's approval applied to interest payment(s) due from Borrower. Any deficiency in the amount of the Reserve Account or failure to pay required deposits to the Reserve Account shall constitute an Event of Default under this Deed of Trust. The Reserve Account is solely for the added protection of the Lender. Upon assignment of this Deed of Trust by the Lender, any funds in the Reserve Account shall be turned over to the assignee and any responsibility of the assignor with respect thereto shall terminate.

Borrower shall continue to pay deposits to the Reserve Account unless Lender waives in writing Borrower's obligation to do so for any or all Reserve Items. In the event of such waiver, Borrower shall pay directly, when and where payable the amounts due for any Reserve Items waived by Lender, and if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Lender may revoke the waiver as to any or all Reserve Items at any time by written notice to Borrower, and upon such

Initials of Borrower/Grantor JW Date 4/2/21

revocation, Borrower shall be obligated to pay an amount determined by Lender to be necessary to initiate a properly funded Reserve Account.

**5. Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property continually insured with premiums prepaid against loss by fire, hazards included within the term "extended coverage" and any other hazards including, but not limited to, earthquakes and floods. This insurance shall be maintained for the full insurable value of the improvements. The insurance carrier providing the insurance shall be chosen by the Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably.

Borrower will maintain commercial general liability insurance insuring against liability from risks associated with the use, ownership, construction and operation of the property, with coverage limits approved by Lender. All insurance policies required hereunder shall be subject to Lender's approval and obtained from a financially reputable insurer acceptable to Lender.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Borrower shall provide Lender with copies of all insurance policies for the Property within thirty (30) days of a request by Lender.

The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Lender shall determine. Such application by the Lender shall not cause discontinuance of any proceedings to foreclose the Deed of Trust. In the event of foreclosure, all rights of the Borrower in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

Borrower's failure to maintain adequate insurance on the property as required above shall constitute an Event of Default, and shall allow Lender at its sole option obtain insurance. All costs and expenses incurred by Lender in doing so shall be added to the obligations payable by Borrower and due on demand together with interest at the default rate in the Note.

**6. Preservation, Maintenance and Protection of the Property, Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Borrower shall not structurally alter the property without Lender's prior written consent. Borrower shall comply with all requirements of the federal, state and municipal authorities and all other laws, regulations, covenants, and restriction respecting the Property or the use thereof and pay all fees or charges of any kind in connection therewith. Unless it is determined that repair or restoration is not economically feasible, Borrower shall promptly repair or restore the Property if damaged to avoid further deterioration or damage. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration. Proof of impairment of Lender's security shall be unnecessary in any suit or proceedings under this paragraph. Borrower shall permit Lender or its agents the opportunity to inspect the property, including the interior of any structure at reasonable times and after reasonable notice.

**7. Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in the Loan Documents, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeitures, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations) or (c) Borrower has abandoned the Property, then Lender, either in person or through a third party designated

Initials of Borrower/Grantor JV Date 4-2-21

by Lender, or by a court appointed receiver, may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including without limitation, entering the Property, assessing the value of the Property, securing, and/or completing construction at the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Borrower hereby designates, constitutes and appoints Lender as its true and lawful attorney-in-fact with full power of substitution to secure, repair, protect or complete construction at the Property in the name Borrower. Although Lender may take action under this Section 7, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 7.

**8. Repayment of Advanced Sums.** Borrower shall repay immediately on written notice to Borrower all sums expended or advanced hereunder by or on behalf of Lender or Trustee, with interest from the date of such advance or expenditure at the Note rate until paid, and the repayment thereof shall be secured by this Deed of Trust. Failure to repay any such expenditure or advance and interest thereon with ten (10) days of the mailing of such notice will at Lender's option constitute an Event of Default hereunder, or Lender may at its option, commence an action against Borrower for the recovery of such expenditure or advance and interest thereon, and in such event, Borrower hereby agrees to pay in addition to the amount of such expenditure or advance all costs and expenses incurred in such action, together with reasonable attorney's fee.

**9. Assignment of Miscellaneous Proceeds; Forfeiture.** "Miscellaneous Proceeds" shall be defined as any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for (i) damage to or destruction of the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to the value and/or condition of the Property. In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be paid to Lender and applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value shall be paid to Lender and applied to the sums secured by this Security Instrument, whether or not then due. Any remaining Miscellaneous Proceeds shall be paid to Borrower.

In the event of a partial taking, destruction or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be paid to Lender and applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for

Initials of Borrower/Grantor JW Date 4-2-21

damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

The initiation of any action or proceeding, whether civil or criminal that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument is an Event of Default. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 15, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material award or claim for damages. All Miscellaneous Proceeds that are attributable to the impairment of Lender's interest in the Property are hereby assigned to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied as described in Section 2.

**10. Borrower Not Released; Forbearance by Lender Not a Waiver.** "Successor in Interest of Borrower" shall mean any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this security Instrument. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or Successor in Interest of Borrower shall not operate to release the liability of Borrower or Successor in Interest of Borrower. Lender shall not be required to commence proceedings against Borrower or any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Time is of the essence in connection with all obligations of Borrower herein or in the Note. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

Subject to the provisions of Section 14, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liabilities under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender.

**11. Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this the Loan Documents to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by the Security Instrument or applicable law.

If this Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be construed as having been immediately applied by Lender to the principal balance when received. If at the time any such sum is received by the Lender, the principal balance has been paid in full, such sums shall be promptly refunded by Lender to Borrower, less any sums due to the Lender. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge. Borrower's acceptance of any such refund made by direct payment to Borrower or by

Initials of Borrower/Grantor JW Date 4/20/21

principal reduction will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

**12. Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. The notice address shall be *Jasper White, PO Box 571, Darrington, WA 98241* unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to *David B. and Erin Johnson, PO Box 1416, Marysville, WA 98270* unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender.

**13. Governing Law; Severability; Rules of Construction.** The laws of the State of Washington shall govern this Security Instrument. All rights and obligations contained in the Security Instrument are subject to any requirements and limitation of applicable law. Applicable law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. If any provision or clause of this Security Instrument or other Loan Document is held to be invalid or unenforceable or exceed any legal limit, then such provision shall be deemed modified to the limit allowed by law if possible or if not possible, such provision shall be deemed stricken. All other provisions shall remain in full force and effect.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; (c) the word "may" gives sole discretion without any obligation to take any action and (d) the words "include" and "including" shall be interpreted as if followed by the words "without limitation".

**14. Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 14, "Interest in the Property" means any legal or beneficial interest in the Property, including but not limited to those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a Purchaser.

Borrower shall not, without Lender's prior written consent, directly or indirectly (i) transfer, assign or convey any interest in the Property, for security purposes or otherwise, or (ii) consent to, permit or allow the transfer of any interest in Borrower.

If all or any part of the Property or any interest in the Property is sold or transferred or if a beneficial interest in Borrower is sold or transferred without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by applicable law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given in accordance with Section 16 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

Initials of Borrower/Grantor SW Date 4-2-21

**15. Borrower's Right to Reinstate after Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) ten days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as applicable law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorney's fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 14.

**16. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 14 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by the Security Instrument and the sale of the Property at public auction at a date not less than 120 days in the future. The notice shall further inform Borrower of the right to reinstate after acceleration, the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale, and any other matters required to be included in the notice by applicable law. If the default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and/or any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 16, including but not limited to, reasonable attorney's fees, collection costs and costs of title evidence.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an Event of Default and of Lender's election to cause the Property to be sold. Trustee and Lender shall take such action regarding notice of sale and shall give such notices to Borrower and to other persons as applicable law may require. After the time required by applicable law and after publication of the notice of sale, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of the Property for a period or periods permitted by applicable law by public announcement at the time and place fixed in the notice of sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including but not limited to, reasonable Trustee's and attorney's fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it or to the clerk of the superior court of the county in which the sale took place.

Initials of Borrower/Grantor JD Date 4-2-21



**17. Events of Default.** The occurrence of any of the following events (each, an "Event of Default") or the occurrence of any other Event of Default defined in this Deed of Trust or the Note shall at Lender's option terminate any and all obligations on the part of Lender to make or continue any Loan and at Lender's option but subject to any applicable notice and opportunity to cure, shall make all principal, interest and any other sums payable under the Loan Documents immediately due and payable, and Lender may exercise any and all other rights and remedies available to it under any Loan Document, at law or in equity:

- (a) Borrower fails to pay when due any amount payable by it hereunder or under the Loan Documents or fails to perform or comply with any other covenant, obligation or term of this Deed of Trust or the Promissory Note.
- (b) Borrower fails to pay when due any other obligation to Lender or any other lender for borrowed money, or to perform any term or covenant required of Borrower under any agreement relating to such obligation or any such other debt shall be declared to be due and payable and such failure shall continue after the applicable grace period.
- (c) Any representation or warranty made by or with respect to Borrower in this Agreement, in any Loan Document, or in any other statement to Lender shall prove to have been false or misleading in any material respect when made.
- (d) Borrower makes an assignment for the benefit of creditors, files a petition in Bankruptcy, is adjudicated insolvent or Bankrupt, petitions any court for a receiver or trustee for Borrower or any substantial part of its property, commences any proceeding relating to the arrangement, readjustment, reorganization or liquidation under any Bankruptcy or similar laws, or if there is commenced against Borrower any such proceedings which remain undismissed for a period of thirty (30) days or, if Borrower by any act indicates its consent or acquiescence in any such proceeding or the appointment of any such trustee or receiver.
- (e) Any judgment attaches against Borrower or any of its properties which remains unpaid, unstayed on appeal, unbounded, or undismissed for a period of thirty (30) days.
- (f) Loss of any required government approvals, and/or any governmental regulatory authority takes or institutes action which, in the opinion of Lender will adversely affect Borrower's condition, operations or ability to repay any Loan.
- (g) Failure of Lender to have a legal, valid and binding first lien on the Subject Property covered by any deed of trust required under the Loan Documents.
- (h) Borrower, if an individual, dies or becomes incompetent, or Borrower, if a corporation or other entity, ceases to exist as a going concern.
- (i) Occurrence of an event which gives Lender reasonable grounds to believe that Borrower may not or will be unable to perform its obligations under this Agreement of the Loan Documents or any other agreement between Lender and Borrower.

**18. Required Notices.** Until full and final payment of all amounts secured by this Deed of Trust, Borrower will promptly give written notice to Lender of (a) all litigation and substantial claims made or threatened affecting Borrower; (b) any substantial dispute which may exist between Borrower and any governmental regulatory body or law enforcement authority; (c) any default by Borrower under this Deed of Trust or the Promissory Note or any other agreement with Lender or any creditor; and (d) Any other matter which has resulted or might result in a material adverse change in Borrower's financial condition or operations.

**19. Receiver.** The holder of this Deed of Trust, in any action to foreclose it, shall be entitled (without notice and without regard to the adequacy of any security for said debt) to the appointment of a receiver of the rents and profits of the property and such receiver shall have, in addition to all the rights and powers customarily given to and exercised by such receiver, all the rights and powers granted to the Lender by the covenants contained in Section 21 hereof.

**20. Assignment of Rents.** As further security for the payment of all indebtedness herein mentioned, Borrower's rent and profits of the Property and the right, title, and interest of the Borrower in and under all leases now or hereafter affecting the Property, are hereby assigned and transferred to the Lender. So long as no default shall exist in compliance with any requirement hereof or of any further instrument at any time executed with respect to this Deed of Trust, Borrower may collect assigned rents and profits as they fall due. But upon the occurrence of any such default, or any time following an uncured default as the Lender in its sole discretion may fix by written notice, all right of the Borrower to collect or receive rents or

Initials of Borrower/Grantor JW Date 4-2-21

profits shall wholly terminate. All rents or profits of Borrowers receivable from or in respect to said property which it shall be permitted to collect hereunder shall be received by it in trust to pay the usual and reasonable operating expenses of, and the taxes upon, said property and sums owing the Lender as they become due and payable as provided in this Deed of Trust or in the said note or in any modification of either. The balance of such rents and profits after payment of such operating expenses, taxes and sums due the Lender, and after the setting aside of accruals to date of such expenses, taxes, sums, including amortization, shall be Borrower's absolute property. No lease of the whole or any part of the property involving an initial term of more than three (3) years shall be modified or terminated without the written consent of the Lender, nor shall the surrender of any such lease be accepted nor any rental thereunder be collected for more than two (2) month in advance without like written consent. In the event of any default hereunder and the exercise by the Lender of any of its rights hereby granted, Borrower agrees that payment made by tenants or occupants to the Lender shall, as to such tenants, be considered as though made to Borrower and in discharge of tenants' obligations as such to Borrower. Nothing herein contained shall be construed as obliging the Lender to perform any of Borrower's covenants under any lease or rental arrangement. Borrower shall execute and deliver to the Lender upon demand any further or supplemental assignments necessary to effectuate the intentions of this paragraph and upon failure of the Borrower so to comply, Lender may in addition to any other right or remedy it has, declare the maturity of the indebtedness hereby secured.

**21. Possession by Lender.** In the event of default in compliance with any requirement of this Deed of Trust or of any further instrument at any time executed with respect to this Deed of Trust, and the continuance thereof for such period as would entitle the Lender to declare said debt due and payable, or for ten (10) days if no such period be applicable, the Lender may, at its option, enter upon and take possession of said property and let the same or any part thereof, making therefore such alterations as it finds necessary, and may terminate in any lawful manner any tenancy or occupancy of said property, exercising with respect thereto any right or option available to the Borrower. From and after the occurrence of any such default, if any owner of the Property shall occupy the Property or any part thereof, such owner shall pay to the Lender in advance on the first day of each month a reasonable rental for the space so occupied, and upon failure to do so, the Lender shall be entitled to remove such owner from the Property by any appropriate action or proceeding.

**22. Cumulative Remedies.** To the fullest extent allowed by law, all of Lender's and Trustee's rights and remedies specified in this Security Instrument or in any of the Loan Documents are cumulative, not mutually exclusive and not in substitution for any rights or remedies available at law or in equity. Without waiving its rights in the Property, Lender may proceed against Borrower, any other party obligated to pay or perform the obligations or against any other security or guarantee for the obligations in such order or manner as Lender may elect. Except where prohibited by applicable law, the commencement of proceedings to enforce a particular remedy shall not preclude the commencement of a different remedy. Specifically, the entering upon and taking possession of the Property, the collection of rents, issues, and profits, or the proceeds of fire and other insurance policies or compensation, or awards for any taking or damage of the Property, and the application or release thereof as above, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

Initials of Borrower/Grantor JW Date 4-2-21

Lender shall have the right at its option to foreclose this Deed of Trust subject to the rights of any tenant or tenants of the Property. Failure to make any such tenant or tenants a party defendant to any such suit or action or to foreclose their rights will not be asserted by the Borrower as a defense in any action or suit instituted to collect the indebtedness secured hereby or any part thereof or any deficiency remaining unpaid after foreclosure and sale of the said property, any statute or rule of law at any time existing to the contrary notwithstanding.

23. **Partial Reconveyances.** There is no obligation of Lender to provide any partial release or reconveyance should Borrower pay less than the full amount owed or sell a portion of the property securing the Loan or any partial interest in the property securing the Loan.

24. **Loan Servicing Costs.** Lender has the right to transfer the payment and information processing required for this loan to a contract collection or servicing company of its choice. All costs (including those for the initial set up and all monthly fees) for this service shall be the responsibility of Borrower.

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

26. **Attorney's Fees.** Lender shall be entitled to recover its reasonable attorney's fees and costs in any action or proceeding to construe or enforce any term of this Security Instrument. The terms "attorney's fees" whenever used in the Security Instrument, shall include without limitation attorneys' fees incurred by Lender in any bankruptcy proceeding or on appeal.

27. **Successors and Assigns.** This Security Instrument inures to the benefit of and is binding upon the respective heirs, administrators, successors and assigns of Borrower and Lender.

28. **Integration.** There are no verbal or other agreements which modify or affect the terms of this Deed of Trust. The Deed of Trust may not be modified or amended except by written agreement signed by Borrower and Lender and recorded with the Skagit County Auditor.

*[This is the last page of an eleven-page Deed of Trust.  
The other ten pages have been initialed by Borrower/Grantors.]*

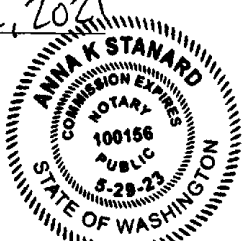
Borrower/Grantor:

JW  
Jasper White

STATE OF WASHINGTON )  
COUNTY OF Snohomish ) ss.

I certify that I know or have satisfactory evidence that Jasper White is the person who appeared before me, and said person acknowledged that he signed this instrument, and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated April 02, 2021



Anna K. Starnard  
Print Name: Anna K. Starnard  
Notary Public in and for the State of WA  
Washington residing at Stenwood  
My appointment expires: 05/29/23

Initials of Borrower/Grantor JW Date 4/2/21