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Record & Return To:
Veristone Fund I, LLC
6725 116th Ave NE, Suite 210
Kirkland, WA 98033

201509090063
Skagit County Auditor $76.00
9/9/2015 Page 1 of 4 3:46PM

Full Legal Description: See Below
Assessor's Tax Parcel No's: P26350 / 340419-0-043-0004
Trustee: Reconveyance Professionals Inc.
Loan: 2015.0742

CHICAGO TITLE
620025107

DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on September 2, 2015. The grantor is Burnindaylight, LLC, a Limited Liability Company (**"GRANTOR"**), whose address is PO Box 25212, Federal Way, WA 98093. The trustee is Reconveyance Professionals Inc., whose address is 2722 Colby Ave., Suite 125, Everett, WA 98201 (**"TRUSTEE"**). The beneficiary is Veristone Fund I, LLC, a Washington Limited Liability Company (**"BENEFICIARY"**), whose address is 6725 116th Ave NE, Suite 210, Kirkland, WA 98033.

WITNESSETH: GRANTORS hereby bargain, sell, grant, transfer, convey and assign to Trustee IN TRUST WITH POWER OF SALE, the following real property in Skagit County:

Legal Description: THAT PORTION OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19, TOWNSHIP 34 NORTH, RANGE 4 EAST W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 171 FEET WEST OF THE POINT OF INTERSECTION OF THE NORTH LINE OF CASCADE AVENUE AND THE EAST LINE OF THE WEST 1/2 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 19; THENCE NORTH01°06'35" EAST 100 FEET; THENCE NORTH 89°24'30" WEST 55 FEET; THENCE SOUTH 01°06'35" WEST 100 FEET; THENCE SOUTH 89°24'30" EAST 55 FEET TO THE POINT OF BEGINNING. SITUATED IN SKAGIT COUNTY.

APN: P26350 / 340419-0-043-0004

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter hereunto belonging or in any way appertaining, and the rents, issues and profits thereof.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the principal sum of ONE HUNDRED THOUSAND DOLLARS AND 00/100 (U.S. $100,000.00) with interest, in accordance with the terms of a Promissory Note of even date herewith, payable to Beneficiary, or order, and made by Grantor, and all renewals, modifications, and extensions thereof and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

The full debt, if not paid earlier, is due and payable on or before March 31st, 2016. Beneficiary shall release the lien of the subject Deed of Trust in accordance with the terms and conditions of that certain LOAN AGREEMENT- SUMMARY OF TERMS, entered into by and between Grantor and Beneficiary, of even date herewith, which Agreement is hereby incorporated herein by this reference.

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

1. To ensure the first lien position of the Beneficiary throughout the term of the loan. Grantor understands that the Beneficiary requires a first lien position and a strict performance of that first lien position and hereby authorizes Beneficiary, its successors and/or assigns, to protect the first lien position throughout the term of the loan at the Beneficiary's discretion and at the cost of the Grantor.

2. 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.

3. 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.

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

5. To defend any action or proceeding purporting to affect the security hereof or the rights or power 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.

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6. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

7. Should Grantor fail to pay when due any tax, 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.

8. DUE ON SALE. The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the Promissory Note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

9. Grantor shall pay: all costs, fees and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and Full Reconveyance as well as Beneficiary costs, fees and expenses associated with the facilitation and tracking of works performed, or to be performed, by Trustee in an amount not to exceed $550.00 and all lawful charges, costs and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured hereby.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the portion of the property is taken or damaged in any 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 or failure to pay.

3. Upon default by Grantor in the payment of any indebtedness or obligation secured hereby by the property 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 the 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; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

4. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser of 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 Deed shall recite the facts showing

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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 encumbrances for value.

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

6. 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.

7. Lender may appoint a successor trustee by an instrument executed and acknowledged by Lender and recorded in the county in which this Deed of Trust is recorded, and upon such recordation the successor trustee shall become vested with the same powers, rights, duties, and authority of the Trustee with the same effect as if originally made Trustee hereunder.

GRANTOR: Burnindaylight, LLC, a Limited Liability Company
Authorized Signing Member/Officer Name: Donald Sumpter, Member
On behalf of: Burnindaylight, LLC
By: _____ Date: 9-8-15
Signature: Donald Sumpter

ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

STATE OF WA)
) ss.
COUNTY OF Skagit)

I hereby certify that I know or have satisfactory evidence that Donald Sumpter is/are the person(s) who appeared before me. Said person(s) acknowledged that he/she/they signed this instrument and acknowledged it to be his/her/their free and voluntary act for the uses and purposes mentioned in this instrument and, on oath, stated that he/she/they is/are authorized to execute the instrument on behalf of Burnindaylight, LLC.

GIVEN under my hand and official seal this 8 day of Sept, 2015

Cassandra M Mitchell
Notary Public in and for the State of Washington

Cassandra M Mitchell
Print Notary Name
Residing at: Mt Vernon
My Commission Expires: 3-10-17

CASSANDRA M. MITCHELL NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 3-10-17

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