

When Recorded, Return To:

For Recorder's Use:

Youngquist & Betz
904 South Third
Mount Vernon, WA 98273

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SKAGIT COUNTY
JAN 19 1990
RECORDED

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DEED OF TRUST

THIS DEED OF TRUST made this 19th day of January, 1990, between CLIFFORD OLIN and VALERIE OLIN, h/w, of 2120-123rd Avenue SE, Bellevue, Washington, GRANTOR, LAND TITLE COMPANY OF SKAGIT COUNTY, a corporation, TRUSTEE, whose address is 601 Second Street, Mount Vernon, Washington, and CHESTER A. COOK, a married man as his separate property, of 8613 SE 63rd Street, Mercer Island, Washington, BENEFICIARY, WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee IN TRUST, with power of sale, the following described real property in Skagit County, Washington:

An undivided 1/4 interest in the following described property:

PARCEL A

The Northeast 1/4 of the Southwest 1/4 in Section 30, Township 33 North, Range 5 East, W.M.

TOGETHER WITH a non-exclusive easement for roadway 30 feet in width across the West 1/2 of the Southeast 1/4 of said Section 30 to connect with the County Road in the East part of said Section 30, as said easement was created by an instrument dated July 2, 1926, filed May 6, 1927, as Skagit County Auditor's File No. 233558 and recorded in Volume 153 of Deed as Page 470; AND

PARCEL B

Government Lot 4 in Section 30, Township 33 North, Range 5 East, W.M.

TOGETHER WITH an easement for right of way across Government Lot 5 in said Section 30, EXCEPT that portion of said Government Lot 5 lying within Block 9 of the "Plat Medina, Skagit County, Washington", as per plat thereof recorded in Volume 2 of Plats at Page 76 and the Westerly 1/2 of the vacated Jefferson Street abutting on said Block 9, as said easement was created by an instrument dated and filed March 20, 1940 as Auditor's File No.

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323081 and recorded in Volume 180 of Deeds at Page 191; STIPULATED AS FOLLOWS: "Free unobstructed right of way on present roadway across said Lot 5 until such time as the completion of County Road with completed cut-off to premises and living quarters on Lot 4 is done"; AND

PARCEL C

Government Lot 1 in Section 25, Township 33 North, Range 4 East, W.M.

All situate in the County of Skagit, State of Washington.

which real property is not used principally for agriculture 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 contained herein, and payment of the sum of Eighty-Six Thousand and No/100 (\$86,000.00) Dollars 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.

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 build thereof; to restore promptly any building, structure of 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. 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 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. 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 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 three years, lease option 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 interest. 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 required 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 and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

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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 the 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 has 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. 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 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, 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 Grantor, 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 a Beneficiary herein.


CLIFFORD OLIN


VALERIE OLIN

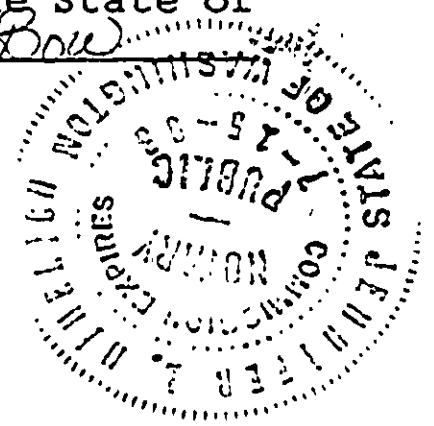
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STATE OF WASHINGTON)
) : SS
COUNTY OF SKAGIT)

On this day personally appeared before me CLIFFORD OLIN and VALERIE OLIN, husband and wife, to me known to be the individuals described in and who executed the within and foregoing instrument and acknowledged that they signed the same as their free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 19th day of January, 1990.

Jennifer S. Michelich
Notary Public in and for the State of
Washington, residing at Bow



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