



**Land Title Company**  
of Skagit County

Filed for Record at Request of  
Land Title Company of Skagit County

**9508160056**

AFTER RECORDING MAIL TO:

Name Ronald C. Knutzen  
Address 752 Samish Point Road  
City, State Zip Bow, WA 98232

Escrow Number: T-76758-E LAND TITLE COMPANY OF SKAGIT COUNTY

Space Reserved For Recorder's Use:

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SKAGIT COUNTY

**DEED OF TRUST**

(For use in the state of Washington only)

THIS DEED OF TRUST, made this 14th day of August, 1995, between  
MARK WHEELER and CYNTHIA JOHNSON, husband and wife

whose address is 4851 N.E. 39th Street, Seattle, WA 98105, GRANTOR,  
Land Title Company of Skagit County

whose address is P.O. Box 1225 / 601 S. Second St., Mount Vernon, WA 98273, TRUSTEE,  
RONALD C. KNUTZEN and MARILYN E. KNUTZEN, husband and wife, and

whose address is 752 Samish Point Road, Bow, WA 98232, 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:  
See Attached Exhibit A

See Attached Exhibit B

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 herein contained, and payment of the sum of FOUR HUNDRED NINETY THOUSAND AND NO/100

Dollars (\$ 490,000.00)

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.

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 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. 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.
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.

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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.

**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 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. 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 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. 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 encumbrances 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 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 Beneficiary herein.

  
Mark Wheeler

  
Cynthia Johnson

STATE OF Washington }  
County of Skagit } SS:

I certify that I know or have satisfactory evidence that Mark Wheeler and Cynthia Johnson

are the person s who appeared before me, and said person s acknowledged that they signed this instrument and acknowledge it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: August 14, 1995

  
Notary Public in and for the State of Washington  
Residing at Mount Vernon Nancy Lea Cleave  
My appointment expires: 9-1-98

**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 \_\_\_\_\_

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Exhibit A

PARCEL "A":

Government Lots 4 and 5 and all of the South 1/2 of the Southeast 1/4 of Section 28, Township 36 North, Range 3 East, W.M.,

EXCEPT roads,

AND EXCEPT ditch rights of way along the South line of the Southeast 1/4 and along the North line thereof.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

Government Lot 1 and the Northeast 1/4 of the Northwest 1/4 of Section 33, Township 36 North, Range 3 East, W.M.,

EXCEPT roads, private or public, and rights of way therefor, and ditch rights of way,

ALSO that portion of Government Lot 2 and of the Southwest 1/4 of the Northwest 1/4 of Section 33, Township 36 North, Range 3 East, W.M., described as follows:

Beginning on the North line of the Southwest 1/4 of the Northwest 1/4 188.2 feet East of the Northwest corner;  
thence South 54 degrees 05' West 167 feet to a point 53 feet East of the West line of said Section 33;  
thence South 1,145.3 feet;  
thence South 87 degrees 03' East 195.9 feet;  
thence South 0 degrees 34' East 220 feet, more or less, to the North Samish River;  
thence Westerly along the Samish River to the Southeast corner of a tract in Lot 2, deeded to Margaret A. Druand, dated May 18, 1912 and recorded in Volume 89 of Deeds, page 193;  
thence North along the East line 2.94 chains;  
thence West to a point 33 feet East of the West line of Section 33;  
thence North to base of Dike District No. 4;  
thence Northeasterly along base of Dike to the North line of said Southwest 1/4 of the Northwest 1/4;  
thence East 69 feet to the point of beginning,

EXCEPT that portion of said premises, if any, lying within the dike right of way, and within road rights of way, public or private, other than that conveyed to Henry J. Roehl, et al, by deeds recorded in Volume 187 of Deeds, pages 88 and 90.

Situate in the County of Skagit, State of Washington.

Exhibit B

Seller will reconvey from this Deed of Trust parcels of Purchaser's choice within the property upon payment by Purchaser to Seller of an amount equal to 150% of the prorata share of the then unpaid balance of the note; provided that Purchaser is not then in default under the deed of trust, and that all remaining property must constitute legal parcel(s), must be buildable, must have legal access, and must be reasonably regular and conforming in size and shape. The prorata share is a fraction, the numerator of which is the area of the parcel(s) to be reconveyed, and the denominator of which is the area of the entire property secured by the deed of trust at the time of reconveyance (including the parcel(s) to be reconveyed). Such payment(s) shall be in addition to the monthly installments and other payment specified in the note and shall be applied in reduction of principal thereunder. Purchaser shall comply with all applicable subdivision requirements, shall cause a registered surveyor to furnish to Seller a legal description and survey, and to stake the corners of the remaining property, and shall bear all costs in connection with any reconveyances(s).