

#  
22  
KATHY HILL  
SKAGIT COUNTY AUDITOR

99 JUN 24 P3:03

When recorded, return to:

JD Financial Corp.

29308 132nd Ave. SE

Auburn, WA 98092-2141

9906240112

RECORDED \_\_\_\_\_ FILED \_\_\_\_\_  
REQUEST OF \_\_\_\_\_

**DEED OF TRUST**  
(with Assignment of Rents)

This Deed Of Trust is made this 18th day of JUNE, 1999, by and among:

**KENN L. PETERSON and WENDY L. PETERSON, husband and wife, GRANTOR**  
whose address is 18608 Blackberry Lane, Mt. Vernon, Washington, 98274,

**PACIFIC NORTHWEST TITLE INSURANCE COMPANY, INC., a corporation, TRUSTEE,**  
whose address is 1201 Third Ave., Suite 3800, Seattle, WA, 98101, and

**MORRIS W. SKAGEN and GERALD D. SKAGEN, BENEFICIARY,**  
whose address is 29308 132nd Ave. SE, Auburn, WA, 98092.

WITNESSETH: Grantor hereby irrevocably grants, bargains, sells, transfers, and conveys to Trustee in trust with power of sale, the following described real property in SKAGIT COUNTY, State of Washington (herein "Premises"):

abbreviated legal description(s):

**Lot 1, Skagit County Short Plat # 96-0066, recorded Auditor's # 9605110151;**

**Ptn Lot 2, Skagit County Short Plat # 96-0066;**

**Lot 3, Skagit County Short Plat # 96-0066;**

**Ptn Lot 2, Skagit County Short Plat # 96-0066;**

**Lot 4, Skagit County Short Plat # 96-0066;**

**Ptn Lot 2, Skagit County Short Plat# 96-0066;**

**Ptn Government Lot 9, Sect. 19, Twp 34 N, R 4 EWM;**

**W 35' of ptn Government Lot 9, Sect. 19, Twp 34 N, R 4 EWM;**

**Ptn Tracts 38 & 39, "BIG LAKE WATER FRONT TRACTS";**

full legal description on page(s): 2, 3 and 4

tax parcel ID#(s):

330401-4-004-0004;

340419-0-199-0006;

3861-000-039-0300;

330401-0-002-0004;

340419-0-200-0003;

330401-0-002-0908;

340419-0-2001-0100;

9906240112

BK2009PG0628

**full legal description:**

**Parcel "A":**

Lot 1, Skagit County Short Plat No. 96-0066, approved May 11, 1998, and recorded May 11, 1998, in Volume 13 of Short Plats, pages 122 and 123 under Auditor's File No. 9805110151, records of Skagit County, Washington; being a portion of the Government Lot 2 and the Southeast 1/4 of the Southeast 1/4 of Section 1, Township 33 North, Range 4 East, W.M..

TOGETHER WITH a non-exclusive easement for ingress, egress, and utilities, over and across a 60 foot strip of land known as Blackberry Lane as shown on the face of the Short Plat.

Situate in the County of Skagit, State of Washington.

**Parcel "B":**

Lot 2, Skagit County Short Plat No. 96-0066, approved May 11, 1998, and recorded May 11, 1998, in Volume 13 of Short Plats, pages 122 and 123, under Auditor's File No. 9805110151, records of Skagit County, Washington; being a portion of the Government Lot 2 and the Southeast 1/4 of the Southeast 1/4 of Section 1, Township 33 North, Range 4 East, W.M.

EXCEPT that portion of said Lot 2 described as follows:

Beginning at the intersection of the West line of Lot 3 of said Short Plat with the center line of that certain 60 foot wide easement for ingress, egress and utilities shown as Blackberry Lane on the face of said Short Plat;  
thence North 87°54'40" West, along said center line of Blackberry Lane, to a point which is parallel with and 100.00 feet West of the West line of Lot 3 of said Short Plat;  
thence North 00°06'58" West, parallel with the West line of said Lot 3, to its intersection with a Northerly line of Lot 2 of said Short Plat;  
thence Easterly, along said Northerly line, to the Northwest corner of said Lot 3;  
thence South 00°06'58" East, along the West line of said Lot 3, to the point of beginning.

ALSO, EXCEPT that portion of said Lot 2 lying Southerly of the center line of that certain 60 foot wide easement for ingress, egress and utilities shown as Blackberry Lane on the face of said Short Plat.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and across that certain 60 foot wide easement shown as Blackberry Lane on the face of said Short Plat.

Situate in the County of Skagit, State of Washington.

**Parcel "C":**

Lot 3, Skagit County Short Plat No. 96-0066, approved May 11, 1998, and recorded May 11, 1998, in Volume 13 of Short Plats, pages 122 and 123, under Auditor's File No. 9805110151, records of Skagit County, Washington; being a portion of the Government Lot 2 and the Southeast 1/4 of the Southeast 1/4 of Section 1, Township 33 North, Range 4 East, W.M.

TOGETHER WITH a non-exclusive easement for ingress, egress, and utilities, over and across a 60 foot strip of land known as Blackberry Lane as shown on the face of the short Plat.

Situate in the County of Skagit, State of Washington.

**Parcel "D":**

That portion of Lot 2, Short Plat No. 96-0066, approved May 11, 1998, recorded May 11, 1998 in Volume 13 of Short Plats, pages 122 and 123, under Auditor's File No. 9805110151, and being a portion of the East 1/2 of the Southeast 1/4 of Section 1, Township 33 North, Range East, W.M., described as follows:

**9906240112**

**BK2009PG0629**

Beginning at the intersection of the West line of Lot 3 of said Short Plat with the center line of that certain 60 foot wide easement for ingress, egress and utilities shown as Blackberry Lane on the face of said Short Plat;  
thence North 87°54'40" West, along said center line Blackberry Lane, to appoint which is parallel with and 100.00 feet West of the West line of Lot 3 of said Short Plat;  
thence North 00°06'58" West, parallel with the West line of said Lot 3, to its intersection with a Northerly line of Lot 2 of said Short Plat;  
thence Easterly, along said Northerly line, to the Northwest corner of said Lot 3;  
thence South 00°06'58" East, along the West line of said Lot 3, to the point of beginning.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over, under and across that certain 60 foot wide easement shown as Blackberry Lane on the face of said Short Plat.

Situate in the County of Skagit, State of Washington.

Parcel "E":

Lot 4, Skagit County Short Plat No. 96-0066, approved May 11, 1998, and recorded May 11, 1998, in Volume 13 of Short Plats, pages 122 and 123, under Auditor's File No. 9805110151, records of Skagit County, Washington; being a portion of the Government Lot 2 and Southeast 1/4 of the Southeast 1/4 of Section 1, Township 33 North, Range 4 East, W.M.

TOGETHER WITH a non-exclusive easement for ingress, egress, and utilities, over and across a 60 foot strip of land known as Blackberry Lane as shown on the face of the Short Plat.

Situate in the County of Skagit, State of Washington.

Parcel "F":

That portion of Lot 2, Short Plat No. 96-0066, approved May 11, 1998, recorded May 11, 1998 in Volume 13 of Short Plats, pages 122 and 123, under Auditor's File No. 9805110151, and being a portion of the East 1/2 of the Southeast 1/4 of Section 1, Township 33 North, Range 4 East, W.M., lying Southerly of the center line of that certain 60 foot wide easement for ingress, egress and utilities shown as Blackberry Lane on the face of said Short Plat.

Situate in the County of Skagit, State of Washington.

Parcel "G":

That portion of Government Lot 9, Section 19, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the West line of First Street in the City of Mount Vernon, as laid out and established 1,694.77 feet North and 445 feet West of the East quarter section corner of said Section;  
thence North along the West line of First Street 58.5 feet to the Northeast corner of those premises conveyed to Carrie E. Griffith by deed filed under Auditor's File No. 370056;  
thence Westerly along the Northerly line of said Griffith premises 184 feet;  
thence South 58.5 feet;  
thence East 184 feet to the point of beginning.

EXCEPT that portion thereof conveyed to the State of Washington for highway purposes by deed dated November 11, 1953 and recorded December 31, 1953, under Auditor's File No. 496806, records of said County.

Situate in the County of Skagit, State of Washington.

Parcel "H":

The West 35 feet of the following described tract:

That portion of Government Lot 9, Section 19, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the West line of First Street in the City of Mount Vernon, as laid out and established, 1,753.27 feet North of and 445 feet, more or less, West of the East 1/4 section corner of said Section;  
thence North along the West line of First Street 58.5 feet;  
thence West 184 feet;  
thence South 58.5 feet;  
thence East 184 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.

Parcel "I":

That portion of Tracts 38 and 39, "BIG LAKE WATER FRONT TRACTS, SKAGIT COUNTY, WASHINGTON", as per plat recorded in Volume 4 of Plats, page 12, records of Skagit County, Washington, lying Westerly of the H. C. Peters Road Extension 263, as deeded in Skagit County by Deed recorded June 26, 1947, under Auditor's File No. 46022 and lying Westerly of the following described line:

Beginning at the Southwest corner of said Tract 39;  
thence Northeasterly, along the Southerly line of said Tract 39, a distance of 75 feet to the true point of beginning of this line description;  
thence Northwesterly, at right angles to said South line of Tract 39, to the Southerly right of way line of the H. C. Peters Road Extension 263, as deeded to Skagit County by Deed recorded June 26, 1947, under Auditor's File No. 406022, and the terminus of this line description.

EXCEPT 40 foot road right of way deeded to Skagit County by Deed recorded in Volume 119 of Deeds, page 254.

Situate in the County of Skagit, State of Washington.

**TOGETHER WITH:**

1. All the estate and rights of Grantor in and to the Premises, and to land lying in streets and roads adjoining the Premises, and all access rights and easements appertaining thereto;
2. All buildings, structures, improvements, equipment, fixtures and articles of property now or hereafter attached to, or used, or adapted for use, in the operation of the Premises, including, but not limited to, all heating and incinerating equipment whatsoever, all generating equipment, piping and plumbing fixtures, cooling, ventilating, sprinkling and cleaning systems, fire extinguishing apparatus, gas and electric fixtures, carpeting, underpadding, elevators, escalators, partitions; and including also all interest of any owner of the Premises in any of such items hereafter at any time acquired under conditional sale contract, chattel mortgage, lease/purchase plan, or other title retaining or security instrument, all of which property mentioned in this paragraph shall be deemed part of the realty, and not severable wholly or in part without material injury to the freehold;
3. All permits, licenses and franchises with respect to the Premises;
4. All architectural drawings, plans, specifications, soil tests, feasibility studies, appraisals, engineering reports and similar materials and studies, complete or incomplete, relating to the Premises;
5. The right, title, and interest of Grantor in and under all leases or rental agreements now or hereafter affecting the Premises, including without limitation, all rents, issues, and profits therefrom;
6. All governmental permissions, environmental clearances, authority to subdivide the Premises, rights, licenses and permits as are necessary for the commencement, continuation, completion, occupancy, use, and disposition of any or all of the Premises;
7. All intangibles relating to development or use of the Premises, including, but not limited to, all names, tradenames and trademarks by which the Premises may at any time be operated or known, and all rights to carry on business under such names, tradenames or trademarks or any variants thereof;
8. All right, title and interest of Grantor in and under any contracts or agreements of sale with respect to the Premises;
9. All compensation, awards, damages, rights of action and proceeds, including the proceeds of any policies of insurance therefore, arising out of or relating to a taking or damaging of the Premises by reason of any public or private improvement, condemnation proceeding (including change of grade), or fire, earthquake or other casualty;
10. All amounts held by, or deposited with, Beneficiary by Grantor for taxes, assessments or insurance premiums;
11. All return premiums or other payments upon any insurance at any time provided for the benefit of Beneficiary, and refunds or rebates of taxes or assessments on the Premises;

**9906240112**

**BK2009PG0631**

12. All reserves, deferred payments, deposits, refunds, cost savings and payments of any kind relating to the construction, operation, occupancy, use and disposition of any or all the Premises;

13. (a) all reversions, remainders, issues, and the profits thereof, which are now due or may hereafter become due by reason of the renting, leasing, or bailment of Premises or improvements thereon and equipment; and (b) the proceeds from any and all fire and other hazard or casualty insurance policies insuring the Premises, or any improvements thereon; and

14. All proceeds and products of the foregoing;

TO HAVE AND TO HOLD the Premises conveyed and described, together with the lands, tenements, privileges, water rights, hereditaments and appurtenances thereto belonging or in any way appertaining, and all reversions, remainders, rents, issues and profits thereof, and ail of the estate, right, title, claim and demands whatsoever of Grantor, either in law or in equity, of, in and to the above conveyed Premises.

SUBJECT, HOWEVER, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues, and profits.

**THIS DEED OF TRUST IS GIVEN FOR THE PURPOSE OF SECURING THE PROMISSORY NOTE OF EVEN DATE, in the amount of FOURTY FIVE THOUSAND NINE HUNDRED SIXTY SIX (\$45,960.00) dollars, payable to Beneficiary or order, and any extensions, modifications or renewals thereof, and any judgment rendered by a court of competent jurisdiction on the Note, or any renewals thereof, or substitution therefor, and for:**

1. Payment by Grantor of such additional amounts as may hereafter be borrowed from Beneficiary or its successor by the then record owner of the Premises, either as a further advance on the Note or as evidenced by other promissory notes.

2. Payment by Grantor of any other present or future indebtedness or obligation of Grantor (or successor in interest to Grantor) to Beneficiary, whether created directly or acquired by assignment, whether absolute or contingent, whether due or not, whether otherwise secured or not, or whether existing at the time of the execution of this Deed of Trust, or arising thereafter.

3. Performance by Grantor of any other present or future obligation of Grantor (or successor in interest to Grantor) to Beneficiary, whether created directly or acquired by assignment, whether absolute or contingent, whether due or not, whether otherwise secured or not, or whether existing at the time of the execution of this Deed of Trust, or arising thereafter.

4. Payment by Grantor of any and all amounts which may become due from Grantor for advances by Beneficiary or its successor, for fire and other hazard insurance and taxes upon the Premises, according to the terms of this Deed of Trust.

5. Payment by Grantor of all amounts advanced by Beneficiary to or on behalf of Grantor, for the purpose of clearing encumbrances or defects from the title to the Premises where Beneficiary in good faith believes such encumbrances have gained priority over the lien of this Deed of Trust, including, without limitation, payment of ad valorem taxes and mechanics' or materialmen's liens.

6. Payment by Grantor of all amounts advanced by Beneficiary toward any encumbrances or liens superior to the lien of this Deed of Trust which may be delinquent or in default, for the purpose of curing the defaults of such liens, the procuring of necessary refinancing of such liens, or the partial or full payment or satisfaction of such liens.

7. Payment by Grantor of all attorney's fees and costs incurred by Trustee or Beneficiary in defending the priority or validity of this Deed of Trust, or the title to the Premises.

8. Payment by Grantor of all attorneys' fees and costs incurred by Trustee or Beneficiary in any bankruptcy proceeding or any reorganization or arrangement proceeding under bankruptcy or insolvency laws affecting Grantor, this Deed of Trust or the obligations it secures.

9. Payment by Grantor of all fees and costs incurred by Beneficiary in collecting or placing for collection any amounts due under this Deed of Trust or the obligations it secures.

10. Payment by Grantor of all attorney's fees and costs incurred by Trustee or Beneficiary in foreclosing this Deed of Trust, or realizing upon any of the collateral for the obligations which this Deed of Trust secures.

11. Payment by Grantor of interest and late charges on ANY and ALL payments due under the Note including the final payment and on any other amounts advanced by Beneficiary under the Note or this Deed of Trust, at the rates specified in the Note or any renewals or modifications thereof or substitutions therefor.

12. Performance by Grantor of each condition or covenant of Grantor contained herein or incorporated herein by reference.

**TO PROTECT THE SECURITY OF THIS DEED OF TRUST, GRANTOR COVENANTS AND AGREES AS FOLLOWS:**

1. To keep the Premises 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 Premises.

2. To pay before delinquent all lawful taxes and assessments, insurance premiums, liens, encumbrances or other charges against the Premises hereinabove described; to keep the Premises free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust.

3. If not required under an encumbrance against the Premises with priority over the lien of this Deed of Trust, and if Beneficiary so requires, Grantor shall pay to Beneficiary, in addition to and concurrently with the periodic installments required under the terms of the Note(s) secured hereby, an amount estimated by Beneficiary as



sufficient to accumulate the amount necessary to pay all taxes, assessments, and other impositions next due on the Premises plus the premiums that will next become due and payable on policies of fire, rental value and other insurance covering the Premises and required under the terms hereof, or of any other documents executed in connection herewith. All such payments shall be held by Beneficiary in trust without any obligation arising for the payment of interest thereon to Grantor.

4. To keep all buildings now or hereafter erected on the Premises described herein continuously insured against loss by fire, earthquake and other hazards in an amount not less than the total debt secured by this Deed of Trust. In the event Grantor fails to obtain such insurance coverage or such coverage lapses or is about to lapse without Beneficiary having received official written notification of reinstatement or replacement, Beneficiary may, without any obligation arising for it to acquire the best or least expensive coverage, obtain and make full payment for such coverage, and demand reimbursement from Grantor. 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 proceeding 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 prevent and defend any action or proceeding, including foreclosure of senior liens, which purport 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 attorneys' fees, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

6. 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 attorneys' fees actually incurred, as provided by statute.

7. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Premises 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 immediately payable by Grantor to Beneficiary, and become a part of the debt secured in this Deed of Trust.

8. Grantor will not enter into any agreement with any governing or taxing authority or private organization granting a conservation easement, placing the Premises in an open space, land bank, historical or other conservation category, if such agreement restricts the use of the Premises or diminishes the monetary value of the Premises.

9. Grantor will not execute any amendment to any Prior Mortgage or Deed of Trust and Note changing the rate of interest or terms thereunder or incur any additional indebtedness secured by any Prior Mortgage or Deed of Trust without the prior written consent of Beneficiary. Grantor will timely perform all Grantor's obligations under any Prior Mortgages or Deeds of Trust, and agrees that default thereunder may, at the option of Beneficiary herein, be treated as a default hereunder. Grantor will promptly notify Beneficiary in writing of any such default of any Prior Mortgage or Deed of Trust. Beneficiary does not assume any of the obligations of Grantor under any Prior Mortgage or Deed of Trust, however Beneficiary reserves the right to pay any sums required and/or perform any of the Grantor's obligations under any Prior Mortgage or Deed of Trust, and Grantor agrees that no such payment or performance by Beneficiary shall be deemed a waiver of Beneficiary's right to treat Grantor's failure to make such payments and/or perform such obligations as a default hereunder. In the event Beneficiary elects to make any payment and/or perform any act upon which Grantor has defaulted, payments so made and all costs and expenses incurred thereby, including reasonable attorney's fees, at the option of the Beneficiary, may be: a) added to the debt which is secured by this Deed of Trust and bear interest at the default rate specified in the Note, or b) declared immediately due and payable and such sums shall bear interest at the default rate specified in the Note until paid, and Grantor's failure to reimburse Beneficiary upon demand therefor shall constitute a further default under this Deed of Trust.

10. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of this Deed of Trust, to collect the rents, issues, and profits of the Premises, reserving unto Grantor the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time, without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Premises, or any part thereof, in its own name sue for, or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including actual attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. Failure or discontinuance of Beneficiary, at any time, or from time to time, to collect any such amounts, shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power and authority to collect the same. The entering upon and taking possession of the Premises, the collection of such rents, issues and profits, and the application thereof as aforesaid shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice. Grantor shall not collect rent from any tenant for any reason more than one month in advance of the accrual thereof. Nothing contained herein, nor the exercise of the right by Beneficiary to collect, shall be construed as an affirmation by Beneficiary of any tenancy, lease, or option, nor an assumption of liability under, nor a subordination of the lien or charge of this Deed of Trust, to any such tenancy, lease or option. Grantor shall not enter into any leases of the Premises or any portion thereof, except on terms and conditions first approved by Beneficiary in writing.

IT IS MUTUALLY AGREED THAT:

- i. In the event of any portion of the Premises is taken or damaged in a condemnation or eminent domain

9906240112

EX2009PG0633

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 amount secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other amounts so secured or to declare default for failure to so pay.

3. The Trustee shall reconvey all or any part of the Premises 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.

4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all amounts 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 Premises, 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 Trustee's fee and attorneys' fee; (2) to the obligation secured by this Deed of Trust; (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 Premises 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 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 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. Grantor's interest in this Deed of Trust and the obligation(s) it secures may not be assumed or assigned without the prior written consent of the Beneficiary. If, without the prior written consent of Beneficiary, Grantor voluntarily sells or conveys its interest in the Property, in whole or in part, or if by some act or means Grantor is divested of title to the Property, then Beneficiary, at its option, may declare the unpaid balance immediately due and payable.

9. 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.

10. The property is not used principally for agricultural or farming purposes.

Grantors(s):

< KENN L. PETERSON

< WENDY L. PETERSON

<

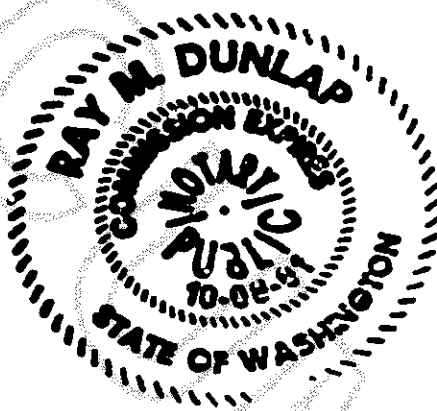
<

State of WASHINGTON )  
County of SKAGIT )

I certify that I know or have satisfactory evidence that KENN L. PETERSON and WENDY L. PETERSON is/are the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this document, and acknowledged it to be his/her/their free and voluntary act for the uses and purposes mentioned in this document.

Dated: 6/18/99

Ray M. Dunlap  
Notary Public in and for the State of Washington,  
residing at Laconia  
My appointment expires 6/8/2001



### REQUEST FOR FULL RECONVEYANCE

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 the 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 the Deed of Trust, to cancel said Note and all other evidence of indebtedness secured by the Deed of Trust, together with the Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of the Deed of Trust, all the estate now held by you thereunder.

Dated \_\_\_\_\_

9906240112

BK2009PG0634