



199908030124

Kathy Hill, Skagit County Auditor
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WHEN RECORDED RETURN TO:

Stephen M. Aldrich
Fairhaven Family Medicine
1030 E. Fairhaven Avenue
Burlington, WA 98233

DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") made this 2nd day of ^{August}~~June~~, 1999, between Donald I. Hitt and Judith E. Hitt, BENEFICIARIES, whose address is 1884 Rocky Ridge Lane, Sedro Woolley, Washington, 98284, Joseph D. Bowen, Attorney at Law, TRUSTEE, whose address is 307 South First Street, Suite A, Mount Vernon, Washington, 98273 and Stephen and Deborah Aldrich, husband and wife, GRANTORS, whose address is 16713 Bradley Court, Bow, Washington, 98232; and Wayne and Lynette Martin, husband and wife, GRANTORS, whose address is 12796 Country Club Place, Burlington, Washington, 98233. WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

Parcel A:

P71610 P71625
Lots 1 and 2 in Block 47 and Lot 9 in Block 48 of AMENDED PLAT OF BURLINGTON, SKAGIT COUNTY WASHINGTON, as per plat thereof recorded in Volume 3 of Plats, Page 17, records of Skagit County, Washington.

Parcel B:

P71624
Lots 6,7, and 8 in Block 48 of AMENDED PLAT OF BURLINGTON, SKAGIT COUNTY, WASHINGTON, as per plat thereof on file in Volume 3 of Plats, Page 17, records of Skagit County, Washington.

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

The Grantor herein agree that in the event any portion of the premises herein conveyed is sold or assigned, any sums due and owing to the Beneficiaries herein under the terms of this Deed of Trust and the Note secured hereby will become immediately due and payable, at the option of the Beneficiaries.

This Deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of ONE HUNDRED THIRTY SEVEN THOUSAND SIX HUNDRED FIFTEEN DOLLARS AND FIFTEEN CENTS (\$137,615.15) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiaries 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 Beneficiaries 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, Grantors 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, regulation, 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 building 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 Beneficiaries, and be in such companies as the Beneficiaries may approve and have loss payable first to Beneficiaries, 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 Beneficiaries shall determine. Such application by the Beneficiaries 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 purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to effect the security hereof or the rights or powers of Beneficiaries 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 Beneficiaries to foreclose this Deed of Trust.

5. To pay all cost, 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, Beneficiaries 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 Beneficiaries to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, Beneficiaries 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 Beneficiaries, or upon the satisfaction of the obligation secured and written request for reconveyance made by the Beneficiaries 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 Beneficiaries. In such event and upon written request of Beneficiaries, 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 to the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fees; (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 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; Beneficiaries 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, Beneficiaries 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 Beneficiaries 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 Beneficiaries shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiaries herein.

Stephen M. Aldrich Deborah J. Aldrich
Stephen M. Aldrich, M.D., GRANTOR Deborah J. Aldrich, GRANTOR

Wayne S. Martin Lynette L. Martin
Wayne S. Martin, M.D., GRANTOR Lynette L. Martin, GRANTOR

On this day personally appeared before me Stephen and Deborah Aldrich and Wayne and Lynette Martin, 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 2d day of August, 1999.

Joseph D. Bowen
Notary Public in and for the State of Washington
residing in Burlington



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My appointment expires: 2/1/02



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