

AFTER RECORDING RETURN TO:

Name William R. Allen
Address 504 East Fairhaven, Suite 201
City, State, Zip Burlington, WA 98233



199908130028

Kathy Hill, Skagit County Auditor

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Abbrev. Leg. Lots 1-3, Block 19, and Lots 16-20, Block 20, City of Anacortes, Vol.2 of Plats, Pp.4-7;
Tract 33, Plate No. 9, Tide and Shorelands, Sec.18, T.35N., R.2E., W.M.
Tax Parcel No. 3772-019-003-0007; 3772-020-020-0004; 3772-020-018-0008; 3772-020-017-0009;
350218-0-024-0108
Grantor: Allen, William
Grantee: Walthew, Leonard, individually and as trustee of Walthew Family Trust, ANACORTES BEND CORPORATION
Ref.No: 9804240023

30934
COUNTY WASHINGTON
Real Estate Excise Tax
PAID

TRUSTEE'S DEED

AUG 13 1999

The GRANTOR, William R. Allen, as present Trustee under that Deed of Trust, as hereinafter particularly described, in consideration of the premises and payment recited below, hereby grants and conveys, without warranty, to:

GRANTEE, Leonard B. Walthew, a single person, individually and as trustee of the Walthew Family Tax Exempt Trust B, established September 27, 1993, and the Anacortes Bend Corporation, a Washington corporation,

that real property situated in the County of Skagit, State of Washington, described as follows:

For full legal description, see EXHIBIT A, which is attached hereto and by this reference incorporated herein.

RECITALS:

1. This conveyance is made pursuant to powers, including the power of sale conferred upon said Trustee by that certain Deed of Trust between Pacific Hotel/Motel Brokers LLC, a Washington limited liability company, as Grantor, to First American Title Company of Skagit County, as Trustee, and Leonard B. Walthew, a single person, individually and as trustee of the Walthew Family Tax Exempt Trust B, established

September 27, 1993, and the Anacortes Bend Corporation, a Washington corporation, Beneficiary, dated April 17, 1998, recorded April 24, 1998, under Auditor's File Number 9804240023, records of Skagit County, Washington.

2. Said Deed of Trust was executed to secure, together with other undertakings, the payment of one promissory note in the sum of \$627,895.98, with interest thereon, according to the terms thereof, in favor Leonard B. Walthew, a single person, individually and as trustee of the Walthew Family Tax Exempt Trust B, established September 27, 1993, and the Anacortes Bend Corporation, a Washington corporation, of and to secure any other sums of money which might become due and payable under the terms of said Deed of Trust.

3. The above described Deed of Trust provides that the real property conveyed therein is not used principally for agricultural purposes.

4. Default having occurred in the obligations secured and/or covenants of the Grantor, as set forth in the Notice of Trustee's Sale described below, which by the terms of the Deed of Trust make operative the power to sell, the thirty-day advance Notice of Default was transmitted to the Grantor, or his successor in interest, and a copy of said Notice was served or posted in accordance with law.

5. Leonard B. Walthew, a single person, individually and as trustee of the Walthew Family Tax Exempt Trust B, established September 27, 1993, and the Anacortes Bend Corporation, a Washington corporation, being then the holder of the indebtedness secured by said Deed of Trust, delivered to said Trustee a written request directing said Trustee or his authorized agent to sell the described property in accordance with law and the terms of said Deed of Trust.

6. The defaults specified in the Notice of Default not having been cured, the Trustee, in compliance with the terms of said Deed of Trust, executed and on March 9, 1999, recorded in the office of the Auditor of Skagit County, Washington, a Notice of Trustee's Sale of said property as Auditor's File No. 9903090065.

7. The Trustee, in its aforesaid Notice of Trustee's Sale, fixed the place of the sale as the lobby of the main entrance to the Skagit County Courthouse, 205 West Kincaid Street, Mount Vernon, Washington, a public place, on June 11, 1999, at 10:00 O'Clock A.M., and in accordance with law caused copies of the statutory Notice of Trustee's Sale to be transmitted by mail to all persons entitled thereto and either posted or served prior to 90 days before the sale; further, the Trustee caused a copy of said Notice of Trustee's Sale to be published once between the thirty-fifth and twenty-eighth day before the date of sale, and once between the fourteenth and seventh day before the date of sale, and further, included this Notice, which was transmitted to or served upon Grantor or his successor in interest, a Notice of Foreclosure in substantially the statutory form. Due to filing of a



Chapter 11 bankruptcy petition by the debtor, which petition was dismissed August 6, 1999, the sale was continued to July 9, 1999, and then to August 13, 1999.

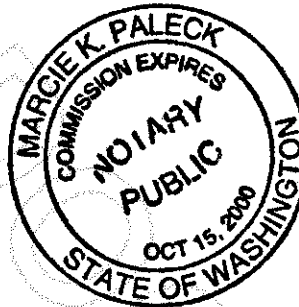
8. During foreclosure no action was pending on an obligation secured by said Deed of Trust.

9. All legal requirements and all provisions of said Deed of Trust have been complied with, as to acts to be performed and notices to be given, as provided in Chapter 61.24 RCA.

10. The defaults specified in the Notice of Trustee's Sale not having been cured eleven days prior to the date of the Trustee's Sale and said obligation secured by said Deed of Trust remaining unpaid, on August 13, 1999, the date of sale, which was not less than 190 days from date of default in the obligation secured, the Trustee then and there sold at public auction to said Grantee, the highest bidder therefor, the property hereinabove described, for the sum of 818,797.66, by the satisfaction in full of the obligation then secured by said Deed of Trust, together with all fees, costs and expenses as provided by statute.

DATED this 13th day of August, 1999.

William R. Allen
William R. Allen, Trustee



STATE OF WASHINGTON)
) ss
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that William R. Allen is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this instrument.

Dated August 13, 19 99

Marcie K. Paleck

Typed/printed notary name Marcie K. Paleck
Residing at Mount Vernon
My appointment expires October 15, 2000



EXHIBIT A

Parcel "A":

Lots 1, 2 and 3, Block 19, "MAP OF THE CITY OF ANACORTES," according to the plat thereof recorded in Volume 2 of Plats, Pages 4 through 7, records of Skagit County, Washington.

Parcel "B":

Lots 16 through 20, Block 20, "MAP OF THE CITY OF ANACORTES," according to the plat thereof recorded in Volume 2 of Plats, Pages 4 through 7, records of Skagit County, Washington.

Parcel "C":

All that portion of Tract 33, Plate No. 9, Tide and Shore Lands of Section 18, Township 35 North, Range 2 East, W.M., according to the plat thereof recorded in the office of the Commissioner of Public Lands at Olympia, Washington, described as follows:

Commencing at the Northeast corner of Block 19, "MAP OF THE CITY OF ANACORTES," according to the plat thereof recorded in Volume 2 of Plats, Pages 4 through 7, records of Skagit County, Washington; thence South along the East line of said Block to an intersection with the Northwesterly line of said Tract 33, said point being the true point of beginning; thence continuing South along the East line of said Block 19, extended Southerly to an intersection with the North line of the alley located within said Block 19, extended Easterly; thence Westerly along said North line of the alley, to an intersection with the Northwesterly line of said Tract 33; thence Northeasterly along said Northwesterly line to the true point of beginning.

Situate in Skagit County, Washington.



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Kathy Hill, Skagit County Auditor

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