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199911180087

Kathy Hill, Skagit County Auditor
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DEED OF TRUST

Grantors: JOHN O. LINDE and CAROL LINDE

Grantees: VINTAGE INVESTMENTS, INC. ISLAND TITLE COMPANY
SA-19023 ✓

Parcel No(s): 3772-018-010-0000, 3772-018-010-0109, 3502-0-037-0004, 350218-0-029-0301, and 3772-018-006-0006

Abbrev. Legal Description: Lots 7, 8, 9 and 10, Block 18, Map of City of Anacortes; Portion of Tract 36, Plate 9, Anacortes Tidelands; Tract 4, Anacortes Short Plat No. SP ANACORTES, WA 98221-5-80.

THIS DEED OF TRUST, made this 18 day of November, 1999, between JOHN O. LINDE and CAROL LINDE, husband and wife, Grantor(s), Island Title Company, Trustee, and VINTAGE INVESTMENTS, INC., 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

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

The property which is the subject of this Deed of Trust is the subject of a first Deed of Trust given by Vintage Investments, Inc. to Whidbey Island Bank, which Deed of Trust is recorded

under Skagit County Auditor's file No. 9807070079. Vintage Investments, Inc. promises to pay all sums owing under the Note secured by that Deed of Trust including paying all sums owing under that Note when the Grantors herein pay all sums owing under the Note secured by this Deed of Trust. At such time as the Grantors herein pay all sums owing under the Note secured by this Deed of Trust, they may apply so much of that payment as is necessary to pay to Whidbey Island Bank all sums which are owing under the Note which is secured by the Deed of Trust recorded under Auditor's File No. 9807070079 and any sum so paid shall be credited against the sum owing under the Note secured by this Deed of Trust.

The property which is the subject of this Deed of Trust is the subject of a second Deed of Trust given by VINTAGE INVESTMENTS, INC. to BOYD VEER, which Deed of Trust is recorded under Skagit County Auditor's File No. 9804290106. VINTAGE INVESTMENTS, INC. promises to pay all sums owing under the Note secured by the Deed of Trust including paying all sums owing under that Note when the Grantors herein pay all sums owing under the Note secured by this Deed of Trust. At such time as the Grantors herein pay all sums owing under the Note secured by this Deed of Trust, they may apply so much of that payment as is necessary to pay all sums which are owing under the Note which is secured by the Deed of Trust recorded under Auditor's File No. 9804290106 and any sum so paid shall be credited against the sum owing under the Note secured by this Deed of Trust.

This Deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of \$1,050,000.00, with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary, or order, and made by Grantor(s), 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(s) covenant and agree:

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 improvements 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



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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.

5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee 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 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 thereof 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



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of sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligations 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 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 purchasers 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, successors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

VINTAGE INVESTMENTS, INC.

By:

RONALD WOOLWORTH, President

John O. Linde
JOHN O. LINDE

Carol Linde
CAROL LINDE



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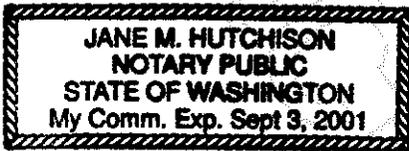
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STATE OF WASHINGTON)
(ss.
County of ~~Skagit~~ San Juan)

I certify that I know or have satisfactory evidence that JOHN O. LINDE and CAROL LINDE, husband and wife, signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: This 15th day of November, 1999.



Jane M Hutchison
(Signature)
Jane M. Hutchison
(Print Name)
Notary Public
My Appointment Expires: Sept. 03, 2001



SA-19023

EXHIBIT "A"

PARCEL A:

Lots 7, 8, 9, and 10, Block 18, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, page 4, records of Skagit County, Washington;

PARCEL B:

All that portion of Tract 36, Plate No. 9, Tide and Shore lands of Section 18, Township 35 North, Range 2 East of the Willamette Meridian, according to the plat thereof recorded in the office of the Commissioner of Public Lands at Olympia, Washington, described as follows:

Beginning at the southeast corner of Lot 7, Block 18, 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 Southerly along the East line of said Lot 7 extended, to a point distant 100 feet Southerly from the Northeast corner thereof;
thence Westerly parallel with the North line of said Lots 7 and 8, and distant 100 feet therefrom, to the Northwesterly boundary of said Tract 36;
thence Northeasterly along said Northwesterly boundary to the point of beginning.

PARCEL C:

Tract 4 of SHORT PLAT NO. ANA-5-80 approved October 28, 1980, and recorded October 30, 1980 under Auditor's File No. 8010300039, records of Skagit County, Washington; in Volume 4 of Short Plats, page 195, being a portion of Block 18, 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; and also being a portion of Tract 36, Plate No. 9, Tide and Shorelands of Section 18, Township 35 North, Range 2 East of the Willamette Meridian, according to the plat thereof on file and of record in the office of the Commissioner of Public Lands at Olympia, Washington, all being a portion of Section 18, Township 35 North, Range 2 East of the Willamette Meridian, Skagit County, Washington.

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -

FOURTH COMMITMENT



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