

WHEN RECORDED RETURN TO:

Richard E. Boardman
7311 N. Pittsburgh
Spokane, WA 99207



200002140163

Kathy Hill, Skagit County Auditor

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ACCOMMODATION RECORDING

ISLAND TITLE COMPANY

DEED OF TRUST

Grantor: Roger R. Boardman and Charlotte J. Boardman

Grantee: Richard E. Boardman and Catherine Boardman

Legal Description (abbreviated): Portion of Lots 1 through 26, Block 182, Fidalgo City,
Skagit County, Washington.

Full legal on page: 6

Assessor's Tax Parcel ID#: 4101-182-025-0007

4101-182-026-0006

THIS DEED OF TRUST, made this 22nd of January, 2000, between ROGER R. BOARDMAN and CHARLOTTE J. BOARDMAN, husband and wife, Grantors, whose address is 15140 Gibraltar Road, Anacortes, WA 98221; Island Title Company, a Washington corporation, Trustee, whose address is 3110 Commercial Avenue, Anacortes, WA 98221, and RICHARD E. BOARDMAN and CATHERINE BOARDMAN, Beneficiaries, whose address is 7311 N. Pittsburgh, Spokane, WA 99207, Grantees.

WITNESSETH: Grantors hereby bargain, sell, and convey to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

See attached Exhibit "A" which is hereby incorporated by reference as if set forth fully herein.

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 Twenty-Five and No/100 Dollars (\$25,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiaries or order, and made by Grantors, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiaries to Grantors, 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 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 Beneficiaries, as its interest may appear, and then to the Grantors. 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 Beneficiaries shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all right of the Grantors 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 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 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 Grantors fail to pay when due any taxes, assessments, insurance premiums, lines, 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 obligations.

2. By accepting payment of any sum secured hereby after its due date, Beneficiaries do not waive its rights 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 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 of the sale as follows: (1) to expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the person entitled hereto.

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 Grantors 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 Grantors, 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 benefits 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 holders and owners of the note secured hereby, whether or not named as Beneficiaries herein.

Roger R. Boardman
Charlotte J. Boardman

STATE OF WASHINGTON)
) ss.
COUNTY OF ISLAND)

On this day personally appeared before me ROGER R. BOARDMAN and CHARLOTTE J. BOARDMAN, husband and wife, 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 22 day of January, 2000.

Suzanne M. Jenkins
Notary Public in and for the State of
Washington, residing at ~~Oak Harbor~~ Seabe Woolley
My commission expires: ~~12/24/2000~~
08/1/2000

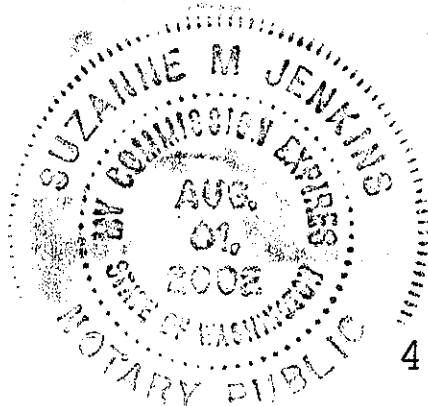


EXHIBIT "A"

That portion of the following described premises lying Northerly of the North line of the county road, as conveyed to Skagit County by deeds recorded June 2, 1949 and October 18, 1949 under Auditor's File Nos. 432111 and 437005:

Lots 1 through 26, inclusive, Block 182 of "Map of Fidalgo City, Skagit County, Washington", as per plat recorded in Volume 2 of Plats, pages 113 and 114, records of Skagit County, Washington.
TOGETHER WITH vacated alley running through said block, and
TOGETHER WITH that portion of the South 25 feet of vacated Second Street and of vacated West 1/2 of Highland Avenue adjoining said premises which upon vacation attached to said premises by operation of law.

Situate in the County of Skagit, State of Washington



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Kathy Hill, Skagit County Auditor

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