

**AFTER RECORDING MAIL TO:**

PHOENIX SAVINGS BANK  
BRAD WILLIAMSON  
3500 188th St SW #502  
Lynnwood, Wa, . 98037



200010310029

, Skagit County Auditor

10/31/2000 Page 1 of 5 9:43:34AM

Filed for Record at Request of

Escrow Number: NEWS

FIRST AMERICAN TITLE CO.

ACCOMMODATION RECORDING ONLY

**DEED OF TRUST**

(For use in the state of Washington only)

WILD

Grantor(s): GEORGE TEREK, MARGARITA TEREK

Grantee(s): Beneficiary - Phoenix Savings Bank, A WA Corp. , Trustee - First American Title Insurance Company

Abbreviated Legal: 6764 Salmon Beach Road, Anacortes, WA 98221

Additional legal(s) on page: 4<sup>th</sup> P. 1 B. 221 Hidalgo City

Assessor's Tax Parcel Number(s): 3983-001-050-0002 R68465

THIS DEED OF TRUST, made this 17th day of September, 1999, between George Terek and Margarita Terek, husband and wife, GRANTOR, whose address is 6764 Salmon Beach Road, Anacortes, WA 98221, First American Title Insurance Company, TRUSTEE, whose address is PO BOX 1667, Mount Vernon, WA 98273, and Phoenix Savings Bank, A WA Corp. , BENEFICIARY, whose address is 3500 188th ST SW, Lynnwood, WA 98037,

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 ATTACH EXHIBIT "I" AND BY THIS REFERENCE MADE A PART HEREOF.

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 TWO HUNDRED SIXTY ONE THOUSAND FORTY SIX AND 95/100 Dollars (\$ 261,046.95) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary 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 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 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 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 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 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, 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:

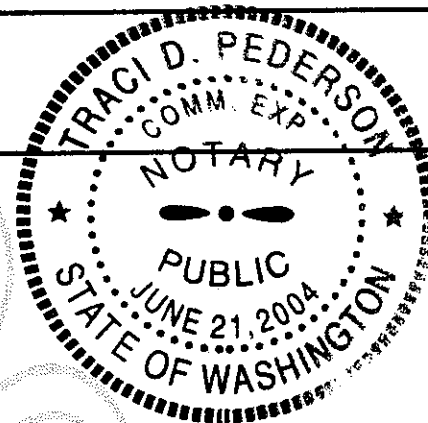
1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
2. By accepting payment of 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 of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (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; 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, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.



George Terek 10.16.00  
GEORGE TEREK

Margarita Terek 10.16.00  
MARGARITA TEREK

STATE OF WASHINGTON }  
County of SKagit } SS:



I certify that I know or have satisfactory evidence that George & Margarita Terek

are the person s who appeared before me, and said person s acknowledged that they signed this instrument and acknowledge it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: October 2000

UP 3-16-01  
Terek g-S31DW  
Res alien 8-7-00  
A04157955,

Traci Pederson 10.16.00  
Notary Public in and for the State of Washington  
Residing at Oak Harbor wa  
My appointment expires: 6/21/04

REQUEST FOR FULL RECONVEYANCE

*Do not record. To be used only when note has been paid.*

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 said 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 said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you



thereunder.

Dated

OCT 16, 2000



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, Skagit County Auditor

## SCHEDULE "C"

The land referred to herein is situated in the County of SKAGIT, State of Washington, and is described as follows:

## PARCEL "A":

A portion of Block 221, and that portion of vacated Highland Avenue lying Easterly of Block 221, "PLAT OF FIDALGO CITY", according to the plat thereof recorded in Volume 2 of Plats, Page 113, records of Skagit County, Washington, described as follows:

Beginning at the Northeast corner of Block 221 of said Plat of Fidalgo City; thence South 1 degree 04" East along the East line of said Block 221, a distance of 152.97 feet to the true point of beginning; thence South 26 degrees 25' East, a distance of 78.66 feet to the East line of vacated Highland Avenue (being the West line of vacated Doris Street in the Plat of Salmon Beach Tracts according to the plat thereof recorded in Volume 5 of Plats, Page 55, records of Skagit County, Washington; thence South 0 degrees 49' West along the East line of vacated Highland Street, a distance of 82.03 feet; thence North 17 degrees 20' 28" West, a distance of 154.38 feet; thence North 67 degrees 15' 00" East, a distance of 13.22 feet to the true point of beginning.

## PARCEL "B":

That portion of vacated Highland Avenue, in the plat of "CITY OF FIDALGO SKAGIT COUNTY & TERRITORY OF WASHINGTON", according to the plat thereof recorded in Volume 2 of Plats, Page 113, records of Skagit County, Washington, described as follows:

Beginning at a point on the East line of Block 221 of said plat of Fidalgo City, said point South 1 degree 04" East, a distance of 152.97 feet from the Northeast corner of said Block 221; thence North 49 degrees 43' East, a distance of 47.77 feet to a point on the Westerly line of Doris Street as shown on the plat of Rensink-Whipple Salmon Beach Tracts, according to the plat thereof recorded in Volume 5 of Plats, Page 55, records of Skagit County, Washington; thence South 0 degrees 49' West along the West line of said Doris Street, a distance of 101.35 feet; thence North 26 degrees 25' West, a distance of 78.66 feet to the point of beginning.

## PARCEL "C":

All that portion of vacated Doris Street as shown on the plat of "RENSINK-WHIPPLE SALMON BEACH TRACTS", according to the plat thereof recorded in Volume 5 of Plats, Page 55, records of Skagit County, Washington, and as vacated November 20, 1961, under Skagit County Commissioners Resolution No. 3118.

## PARCEL "D":

An easement for the purpose of ingress and egress over a certain roadway within the following described tract:

Beginning at the Northwest corner of Tract A of "RENSINK-WHIPPLE SALMON BEACH TRACTS", according to the plat thereof recorded in Volume 5 of Plats, Page 55, records of Skagit County, Washington; thence West across vacated Doris Street, vacated Highland Street, and Block 221 all in the plat of Fidalgo City, to the West line of said Block 221; thence South a distance of 16 feet; thence East across said Block 221, vacated Highland Street and vacated Doris Street to the West line of said Tract A; thence North 16 feet to the point of beginning.

EXCEPT that portion thereof lying with the boundaries of Parcel "C", described above;

ALSO EXCEPT that portion thereof lying West of the West line of Doris Street, as shown on said plat of "RENSINK-WHIPPLE SALMON BEACH TRACTS."

## PARCEL "E":

Tract A, "RENSINK-WHIPPLE SALMON BEACH TRACTS", according to the plat thereof recorded in Volume 5 of Plats, Page 55, records of Skagit County, Washington;

TOGETHER WITH tidelands of the second class situate in front of, adjacent to and abutting upon said premises.



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## SCHEDULE "C"

## PARCEL "F":

A non-exclusive easement right over, across and upon the following described property:

That portion of Block 221, and vacated alley and Highland Avenue, Plat of CITY OF FIDALGO SKAGIT COUNTY AND TERRITORY OF WASHINGTON", according to the plat thereof recorded in Volume 2 of Plats, Page 113, records of Skagit County, Washington, described as follows:

Beginning at the Northwest corner of said Block 221; thence South along the West line of said Block 221, a distance of 195.19 feet to the true point of beginning for this description; thence East, 70.00 feet; thence North 80 degrees 55' East, 91.14 feet; thence North 68 degree 19' East, 75.35 feet to the East line of said Block 221; thence North 48 degrees 39' East, 47.77 feet to the West line of Doris Street as shown on plat of "RENSINK-WHIPPLE SALMON BEACH TRACTS", according to the plat thereof recorded in Volume 5 of Plats, Page 55, records of Skagit County, Washington; thence North 1 degree 53' East along the West line of Doris Street extended (plat course is North 0 degrees 49' East), a distance of 27.47 feet; thence South 48 degrees 39' West, 63.16 feet; thence South 68 degrees 19' West, 69.63 feet; thence South 80 degrees 55' West, 87.344 feet; thence West, 68.411 feet to the West line of Block 221; thence South, 20.00 feet to the true point of beginning, being a strip of land 20 feet in width.

## PARCEL "G":

That portion of Block 221 and of the vacated alley in said Block 221 and of vacated Front Street lying South of said Block 221 and of vacated Highland Street lying East of said Block 221 in "CITY OF FIDALGO SKAGIT COUNTY & TERRITORY OF WASHINGTON" according to the plat thereof recorded in Volume 2 of Plats, Page 113, records of Skagit County, Washington, described as follows:

Beginning at a point on the West line of said Block 221, a distance of 144.81 feet North of the Southwest corner thereof; thence East, 70.0 feet; thence North 80 degrees 55' East, 45.57 feet to the centerline of the vacated alley in said Block 221 and the true point of beginning of this description; thence North 80 degrees 55' East, 45.57 feet; thence North 68 degrees 19' East, 62.13 feet, more or less, to the Westerly line of that certain tract conveyed to L. Allen Perkins and Norma Perkins, husband and wife, by Deed dated June 27, 1966, and recorded under Auditor's File No. 684709, records of Skagit County, Washington; thence South 16 degrees 16' 28" East along the Westerly line of said Perkins Tract to the meander line or the line of extreme high tide (whichever is furthest out); thence Westerly along said meander line or line of extreme high tide to a point that bears South 9 degrees 05' East from the true point of beginning; thence North 9 degrees 05' West to the true point of beginning.



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