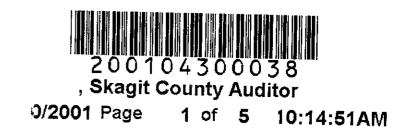
When Recorded Please Return To: Lawrence A. Pirkle 321 West Washington, Suite 300 Mt. Vernon, WA 98273



This Space For Recorder's Use Only

DEED OF TRUST

(For Use in the State of Washington Only)

Grantor: BRADFORD HOLDINGS, L.L.C., a Washington Limited Liability Company

Grantee: TOM PARKER GENERAL AGENCY, INC.

Trustee: Land Title Company of Skagit County

Abbreviated Legal: SE14 of Section 5, Two 36 N, Range 3 East wm

Assessor's Tax Parcel Number: 360305-4-002-0109 & 360305-4-002-0200

See attached Exhibit "A-1" and Exhibit "A-2" and incorporated herein by this reference.

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 Thousand Dollars (\$25,000) including 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 all 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 the Deed of Trust.

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7. If Grantor, without written consent of Beneficiary, (a) conveys, (b) sells, (c) leases, (d) contracts to convey, sell, lease or assign, (e) grants an option to buy the property, (f) permits a forfeiture or foreclosure or trustee or sheriff's sale of any of the Grantor's interest in the property, Beneficiary may, at its sole discretion, at any time thereafter either raise the interest rate on the balance of the Promissory Note or declare the entire balance of the Promissory Note due and payable.

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 or 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; (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 encumbrancers 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 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.

by: David L. Cavanaugh, Manager	
State of Washington)	
)ss.	
County of Skagit)	

On this day _______ day of _______, 2001, before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared DAVID L. CAVANAUGH to me known to be the Manager of BRADFORD HOLDINGS, L.L.C., the Limited Liability Company executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said Limited Liability Company, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

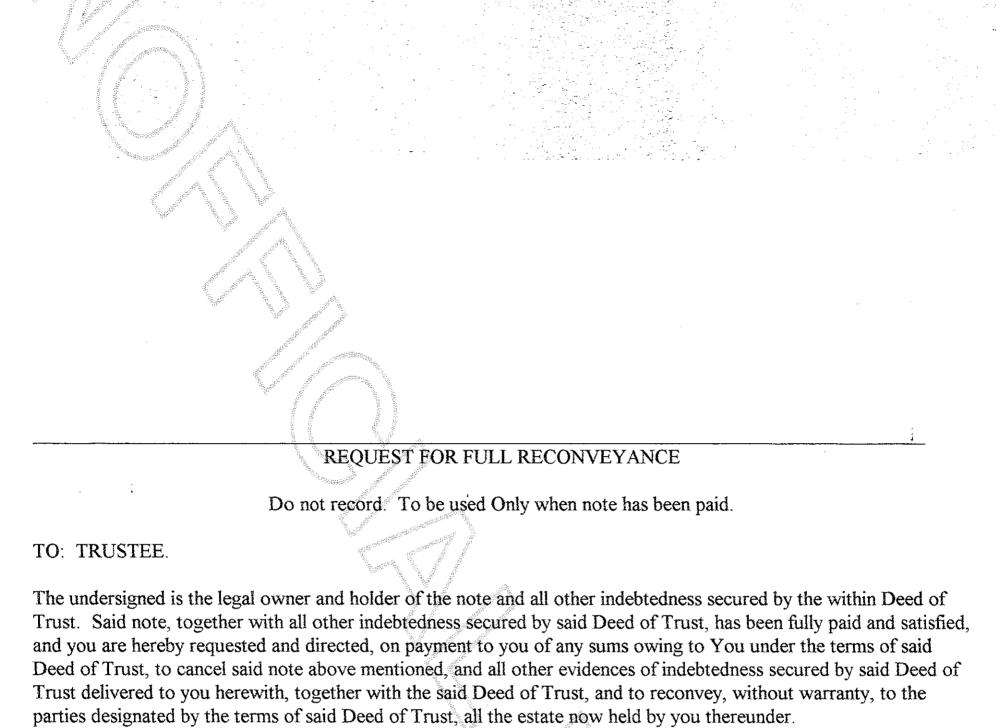
Witness my hand and official scal penero affixed the day and year first above written

PUBLIC

OF WASHI

Notary Public in and for the State of Washington Residing at: Mt. Vernon
My Commission Expires: 5/7/03

200104300038 , Skagit County Auditor 0/2001 Page 2 of 5 10:17 4



Dated this _____ day of

200104300038 , Skagit County Auditor D/2001 Page 3 of 5 10:14:51AM

EXHIBIT "A-1" TAX Parcel No. 360305-4-002-0109

All that portion of the Southeast 1/4 of Section S. Township 36 North, Range 3 East, U.H., being more particularly described as follows:

Beginning at the Southeast corner of said Southeast 1/4 of Section 5; thence North 2 degrees 15'57" East along the East line of said Southeast 1/4. 2122.87 feet. to the true point of beginning; thence North 89 degrees 03'49" West. 1519.19 feet; thence South 36 degrees 03'49" West. 753.36 feet; thence North 89 degrees 03'49" West 239.01 feet; thence North 12 degrees 00'00" West. 273.00 feet; thence North 36 degrees 00'00" East. 314.61 feet; thence South 89 degrees 03'49" East. 1791.96 feet to a point on the East line of said Southeast 1/4; thence South 2 degrees 15'57" West, along said East line, 318.25 feet, to the true point of beginning.

TOGETHER WITH all that portion of the Southeast 1/4 of Section 5, Township 36 North, Range 3 East. W.K.. being more particularly described as follows:

Eeginning at the Southeast corner of said Southeast 1/4 of Section 5; thence North 2 degrees 15'57" East along the East line of said Southeast 1/4. 2441.12 feet: thence North 89 degrees 03'49" West 490.03 feet to the true point of beginning: thence continuing North 89 degrees 03'49" West 1301.93 feet: thence North 36 degrees 00'00" West 151.23 feet to a point 60 feet South, as measured at right angles to the North line of said Southeast 1/4 of Section 5; thence South 89 degrees 03'49" East, parallel with said North line, a distance of 1217.87 feet: thence South 2 degrees 15'47" West a distance of 123.89 feet to the true point of beginning.

EXCEPTING THEREFRON all thet portion of the Southeast 1/4 of Section 5. Township 36 North. Range 3 East. U.M., being more particularly described as follows:

Beginning at the Southeast corner of said Southeast 1/4 of Section 5.; thence North 2 degrees 15'57" East along the East line of said Southeast 1/4. 2122.87 feet, to the true point of beginning; thence North 69 degrees 03'49" West, 490.03 feet; thence North 2 degrees 15'57" East 318.25 feet; thence South 89 degrees 03'49" East, 490.03 feet; thence South 2 degrees 15'57" West along the East line of said Southeast 1/4 a distance of 318.25 feet to the true point of beginning.

TOCETHER WITH all beneficial rights of ingress, egrass and utilities contained in Declaration of Covenants, Conditions, Restrictions, Essement and Road Haintenance as recorded September 27, 1989, under Auditor's File No. 8909270044

Situate in the County of Skagit, State of Washington.

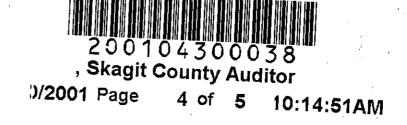


EXHIBIT "A-2"

Assessor's Parcel No: <u>P104267</u>, <u>360305-4-002-0200</u>

All that portion of the Southeast 1/4 of Section 5, Township 36 North, Range 3 East, W.M., more particularly described as follows:

Beginning at the Southeast corner of said Southeast 1/4 of Section 5;

thence North 02°15'57" East, along the East line of said Southeast 1/4, 2,122.87 feet to the TRUE POINT OF BEGINNING;

thence North 89°03'49" West, 490.03 feet;

thence North 02°15'57" East, 318.25 feet,

thence South 89°03'49" East, 490.03 feet;

thence South 02°03'49" West. 318.25 feet to the TRUE POINT OF BEGINNING.

Situate in the County of Skagit, State of Washington

, Skagit County Auditor 0/2001 Page 5 of 5 10:14