


After Recording, Return To:

Barry F. Owen  
Marine Heights LLC  
3538 - 207th Avenue SE  
Issaquah, WA 98027-9688

  
200107160172  
Skagit County Auditor  
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### RECORDING INFORMATION

1. Document Title: DEED OF TRUST
2. Reference Number of Document Assigned or Released: N/A
3. Grantor: JOHN R. COX AND ASSOCIATES, L.L.C.
4. Grantee: MARINE HEIGHTS, LLC
5. Legal Description: Lot(s) 15 & 16 Plat of Marine Heights, Vol 16 of Plats, Pages 173-175, records of Skagit County
6. Assessor's Property Tax Account Number: 4695-000- 015 - 0000  
4695.000 - 016 - 0000

### ISLAND TITLE COMPANY

A20684

### DEED OF TRUST

THIS DEED OF TRUST, made this 12 day of July, 2001, between JOHN R. COX AND ASSOCIATES, L.L.C., GRANTOR, whose address is P.O. Box 456 Anacortes, WA 98221; ISLAND TITLE COMPANY, a corporation, TRUSTEE, whose address is 3110 Commercial Avenue, Suite 101, Anacortes, WA 98221; and MARINE HEIGHTS, LLC, a Washington limited liability company, BENEFICIARY, whose address is 3538 - 207th Avenue SE, Issaquah, WA 98029-9688.

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 LEGAL DESCRIPTION ON ATTACHED EXHIBIT "A".

Situated in Skagit County, Washington.

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 Thousand One and 60/100 Dollars (\$200,001.60) 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.

Due on Sale. If title to said property shall pass from Grantor by deed or otherwise, or if said property is sold on contract, the whole amount of principal and interest then unpaid together with all other charges incurred but as yet unpaid under the Note secured hereby, shall immediately be due and payable,

The following is a true copy of Standard Form No. W-166.

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 thereof 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.



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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; (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.

Name of Corp., Ptnshp or LLC

JOHN R. COX AND ASSOCIATES, L.L.C.

By: \_\_\_\_\_

Print name: J. Randy Cox

Title: Member / Operating Manager

STATE of WASHINGTON )

) ss.

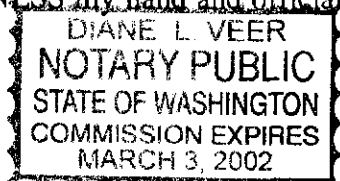
COUNTY of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1999, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared \_\_\_\_\_ to me known to be the President of \_\_\_\_\_, the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute the said instrument.

OR

On this 12 day of July, 2001, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared J. Randy Cox to me known to be the Managing X Partner OR X Member of John R Cox & Assoc, the \_\_\_\_\_ partnership OR X limited liability company that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said \_\_\_\_\_ partnership OR X limited liability company, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Diane L Veer  
Notary Public in and for the State of Washington  
Residing at: Anacortes  
My commission expires: 3-3-02



PARCEL A:

Lot 15E, PLAT OF MARINE HEIGHTS, according to the plat thereof, recorded in Volume 16 of Plats, pages 173 through 175, records of Skagit County, Washington; and set forth on the boundary line adjustment recorded July 11, 2001 under Auditor's File No. 200107110195, being more particularly described as follows:

Beginning at the Northeast corner of Lot 15,  
thence South 78°54'00" West 103.58 feet;  
thence through a curve to the right having a radius of 380 feet, an arc length of 63.07 feet and a delta of 9°30'35";  
thence South 5°59'35" East 36.78 feet;  
thence South 83°38'00" East 89.50 feet;  
thence North 0°43'57" West 74.70 feet;  
thence South 85°45'00" East 5.39 feet;  
thence North 07°42'01" West 54.54 feet to the point of beginning.

(Being a portion of Lots 15 and 16, of the original PLAT OF MARINE HEIGHTS.)

PARCEL B:

Lot 16D, PLAT OF MARINE HEIGHTS, according to the plat thereof, recorded in Volume 16 of Plats, pages 173 through 175, records of Skagit County, Washington; and set forth on boundary line adjustment recorded July 11, 2001, under Auditor's File No. 200107110195, records of Skagit County, Washington; being more particularly described as follows:

Beginning at the Northwest corner of Lot 18 in said PLAT OF MARINE HEIGHTS;  
thence South 79°56'30" East 88.79 feet;  
thence North 09°12'29" East 111.64 feet;  
thence North 83°38'00" West 104.28 feet;  
thence South 5°59'35" East 39.00 feet;  
thence through a curve to the right, having a radius of 180 feet, an arc length of 68.12 feet and a delta of 21°40'59" to the point of beginning;

(Being a portion of Lots 16 and 17 of the original PLAT OF MARINE HEIGHTS.)

Situated in Skagit County, Washington.



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, Skagit County Auditor

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