



200206070170
Skagit County Auditor

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WHEN RECORDED RETURN TO:

Name NORM NELSON, INC.

Address P.O. BOX 444

City, State, Zip BURLINGTON WA 98233



**LAND TITLE
COMPANY**

FILED FOR RECORD AT REQUEST OF

LAND TITLE COMPANY OF SKAGIT COUNTY M13269

Deed of Trust

(For Use in the State of Washington Only)

THIS DEED OF TRUST, made this 29th day of June, 1999, between
Gerald E. Nelson, Jenny T. Nelson, James N. Nelson, Norman W. Nelson, Jr., GRANTOR,
whose address is 1390 Josh Wilson Road, Burlington WA 98233,
LAND TITLE COMPANY OF SKAGIT COUNTY, a corporation, TRUSTEE, whose address is P.O. Box
1225, Mount Vernon, Washington, and Norm Nelson, Inc.,
BENEFICIARY,
whose address is P.O. Box 444, Burlington WA 98233,
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"

ptn 6-35-3 tr 2 SP 94A049

350306-0-008-0002; 350306-3-001-0100; 350306-0-006-0004;
350306-2-001-0005

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 SEVENTY NINE THOUSAND EIGHT HUNDRED THIRTY THREE AND 06/100 Dollars (\$279,833.06) 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.

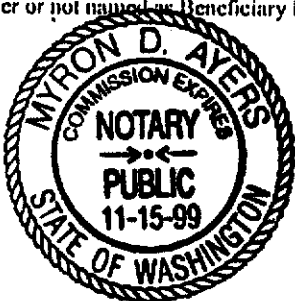
To protect the security of this Deed of Trust, Grantor covenants and agrees:

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; (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 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.



STATE OF WASHINGTON }
COUNTY OF SKAGIT } ss.

On this day personally appeared before me
Gerald E. Nelson, Jenny T. Nelson
James N. Nelson, Norman W. Nelson,
to me known to be the individual described in and who
executed the within and foregoing instrument, and acknowl-
edged that signed the same as
free and voluntary act and deed, for the uses and purposes
therein mentioned.

GIVEN under my hand and official seal this
22 day of July 1999
Myron D. Ayers
Notary Public in and for the State of Washington,
residing at Mount Vernon
My appointment expires: 11/15/99

Gerald E. Nelson
GERALD E. NELSON
Jenny T. Nelson
JENNY T. NELSON
James N. Nelson
JAMES N. NELSON
Norman W. Nelson, Jr.
NORMAN W. NELSON, JR.

STATE OF WASHINGTON }
COUNTY OF } ss.

On this day of before me, the undersigned, a
Notary Public in and for the State of Washington, duly commissioned and
sworn, personally appeared and

to me known to be the President and Secretary,
respectively of the corporation that
executed the foregoing instrument, and acknowledged the 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
authorized to execute the said instrument and that the seal affixed is the
corporate seal of said corporation.

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

Notary Public in and for the State of Washington,
residing at
My appointment expires:

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



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SB-14854

EXHIBIT "A"

The Southeast Quarter of the Northwest Quarter, the Northeast Quarter of the Southwest Quarter, Government Lot 5 and Government Lot 6, all in Section 6, Township 35 North, Range 3 East of the Willamette Meridian;

EXCEPT Lot 1, SKAGIT COUNTY SHORT PLAT NO. 94-049, approved December 9, 1994, and recorded December 12, 1994, in Volume 11 of Short Plats, pages 155 and 156, under Auditor's File No. 9412120047, records of Skagit County, Washington;

ALSO EXCEPT the following described tract:

Commencing at the Northwest corner of Government Lot 5 of Section 6, Township 35 North, Range 3 East of the Willamette Meridian;
thence North $87^{\circ}16'33''$ East along the North line of said Government Lot 5 a distance of 93.43 feet to the Southwesterly line of the dike right-of-way appropriated by Dike District No. 5 in Superior Court Cause No. 3050 and the point of beginning of this description;
thence North $87^{\circ}16'33''$ East along the North line of said Government Lot 5 and the North line of the Southeast Quarter of the Northwest Quarter of said Section 6 a distance of 2,273.77 feet to the Northeast corner of said Southeast Quarter of the Northwest Quarter;
thence South $01^{\circ}47'11''$ West along the East line of said Southeast Quarter of the Northwest Quarter a distance of 838.62 feet;
thence South $89^{\circ}51'49''$ West a distance of 443.94 feet;
thence South $06^{\circ}29'11''$ West a distance of 389.83 feet to a point on a non-tangent curve to the right having a chord bearing of South $43^{\circ}02'28''$ East and a radius of 107.00 feet;
thence Easterly along said curve through a central angle of $149^{\circ}54'56''$ and an arc length of 279.97 feet;
thence South $31^{\circ}55'00''$ West a distance of 74.02 feet;
thence South $39^{\circ}55'12''$ West a distance of 128.24 feet;
thence South $52^{\circ}43'07''$ West a distance of 75.85 feet;

continued



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EXHIBIT "A"

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thence South 06°29'11" West a distance of 305.29 feet to Point "A";
thence South 33°11'29" West a distance of 80.17 feet;
thence North 56°48'31" West a distance of 227.08 feet;
thence North 11°48'07" West a distance of 592.76 feet;
thence North 13°36'57" East a distance of 817.98 feet to the center of an existing drainage ditch;
thence along the center of said ditch through the following four courses:
North 64°33'03" West a distance of 333.20 feet;
North 71°54'21" West a distance of 66.52 feet;
North 89°15'51" West a distance of 75.43 feet;
South 75°58'32" West a distance of 42.25 feet to the center of a ditch intersecting from the Southwest;
thence South 28°52'12" West along the center of said intersecting ditch a distance of 52.59 feet;
thence continuing along the center of said intersecting ditch South 23°18'16" West a distance of 231.48 feet to the East line of said Government Lot 5;
thence South 01°43'11" West along the East line of said Government Lot 5 a distance of 605.60 feet;
thence South 87°06'54" West parallel with the South line of said Government Lot 5 a distance of 355.29 feet;
thence North 01°29'29" East parallel with the West line of said Government Lot 5 a distance of 436.48 feet;
thence North 41°15'24" West a distance of 849.43 feet to the point of beginning of this description.

(Being a portion of Lot 2, SKAGIT COUNTY SHORT PLAT NO. 94-049, approved December 9, 1994, and recorded December 12, 1994, in Volume 11 of Short Plats, pages 155 and 156, under Auditor's File No. 9412120047, records of Skagit County, Washington.)

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



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