

AFTER RECORDING MAIL TO:  
GARY T. JONES  
P.O. Box 1245  
Mount Vernon, WA 98273



200209260054

Skagit County Auditor

9/26/2002 Page 1 of 7 11:21AM

FIRST AMERICAN TITLE CO.  
SECOND DEED OF TRUST  
m7924 ACCOMMODATION RECORDING ONLY

**THIS DEED OF TRUST**, made this 6<sup>th</sup> day of September, 2002, by and between CARTER HAVEN PROPERTIES, LLC., Grantor, whose address is 209 Lilac Drive, Mount Vernon, Washington, 98273, and FIRST AMERICAN TITLE COMPANY OF SKAGIT COUNTY as Trustee, whose address is 1301 B Riverside Drive, Mount Vernon, Washington, 98273, and ROD CARTER and KAREN CARTER, husband and wife, Beneficiary, whose address is 209 Lilac Drive, Mount Vernon, Washington, 98273.

**WITNESSETH:** Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

That portion of the Northwest quarter of the Southeast quarter of Section 17, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the west line of the northwest quarter of the southeast quarter and the south line of State Highway, said point being 30 feet south of the northwest corner of said subdivision; thence east along the south line of the State Highway, 170 feet; thence south, 175 feet; thence south 46°40' west, 235 feet, more or less, to the west line of said northwest one-quarter of the southeast one-quarter; thence north 337.4 feet, more or less, to the point of beginning.

EXCEPT that portion conveyed to the State of Washington for highway purposes by deed recorded September 6, 1991, under Auditor's File No. 9109060001

ORIGINAL

Assessor's Property Tax Parcel/Account Number(s): P25611

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 Three-Hundred and Thirty Five Thousand Dollars (\$335,000.00), 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 conveys 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

- 2 -



200209260054

Skagit County Auditor

9/26/2002 Page 2 of 7 11:21AM

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



200209260054

Skagit County Auditor

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 sale.

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 the Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of Skagit County, Washington 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 upon the parties hereto, but on their heirs, devisees, legatees, administrators, executors and assigns. The term "Beneficiary" shall mean the holder and owner



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Skagit County Auditor



**PROMISSORY NOTE**

\$335,000.00

September 9, 2002  
Mount Vernon, WA

I promise to pay to the order of ROD CARTER and KAREN CARTER, husband and wife, the sum of Three Hundred and Thirty Five Thousand Dollars (\$335,000.00), for value received, with interest thereon at the rate of four percent (3.58%) per annum from date hereof until maturity, interest payable monthly, and if not so paid, the whole of this note, both principal and interest shall forthwith become due and payable without demand, at the option of the holder.

After maturity or on default, this Note bears interest at the rate of eight percent (8%) per annum until paid. Principal and interest payable in lawful money of the United States. If suit or legal action is commenced to collect this Note or any part of it, I promise to pay, in addition to the costs provided by statute, such sum as the court may adjudge reasonable as attorney's fees therein, and any judgement entered into hereon shall bear interest at the rate of twelve percent (12%) per annum.

If this Note has not been paid or collected by other means, it shall be due and payable in full, together with any accrued and unpaid interest on the twenty-fifth (25<sup>th</sup>) anniversary of its execution.

This Note is made, executed under and is to be construed by the laws of the State of Washington and is secured by a Second Deed of Trust on real estate. This Note shall be due on sale of the real property security and no assumption or assignment of this obligation shall be enforceable without the holders' written consent.

Carterhaven Properties, LLC.

By: *Rod Carter*  
ROD CARTER, Member/Manager



*Lisa A Sargent 9-9-02*



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Due on demand but not later than September 6, 2027  
at: 209 Lilac Drive  
Mount Vernon, WA 98273

UNOFFICIAL DOCUMENT



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