

WHEN RECORDED RETURN TO:

Name: NORTH COAST CREDIT UNION
Address: 1100 DUPONT PLAZA
City, State, Zip BELLINGHAM WA 98225

Order#C24406/Swanson
#70578005/1



200210160116
Skagit County Auditor

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Island Title Company

ISLAND TITLE CO.

C24406

Deed of Trust

(For Use in the State of Washington Only)

THIS DEED OF TRUST, made this 10th day of October, 2002, between

PETER M. SWANSON and JEAN A. SWANSON, husband and wife, GRANTOR,

whose address is 1315 Sth 12th, Mount Vernon, Wa., 98274

ISLAND TITLE COMPANY, a Washington corporation, 770 NE Midway Boulevard, Oak Harbor, Washington 98277, TRUSTEE, and

P O BOX 670, Burlington Wa 98233

NORTH COAST CREDIT UNION, BENEFICIARY,

whose address is 1100 DUPONT PLAZA, BELLINGHAM, WA, 98225

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 Northeast Quarter of the Northwest Quarter of Section 29, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point on the West line of 12th Street as established in the City of Mount Vernon, 455 feet South of the Southeast corner of Block 23, Map of Millett's Addition to Mount Vernon, according to the plat thereof recorded in Volume 2 of Plats, page 63, records of Skagit County, Washington;

Thence West a distance of 100 feet; * Thence East a distance 100 feet; * Thence South a distance of 125 feet; * Thence North a distance of 125 feet to the point of beginning. Situated in Skagit County, Washington.

Tax Account Number: 340429-0-117-0003

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 (\$*63,000.00*****)

** SIXTY THREE THOUSAND DOLLARS AND NO 100' s***** Dollars 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.

