

LT Co Island County

RETURN ADDRESS

Trinity River Funding Inc  
3305 W. Spring Mountain Rd.  
Suite 160B  
Las Vegas, Nevada 89102



200210170045

Skagit County Auditor

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Please print neatly or type information  
Document Title(s)

Line of Credit Deed of Trust

Reference Numbers(s) of related documents:

Additional Reference #'s on page \_\_\_\_\_

Grantor(s) (Last, First and Middle Initial)

Atlantic Avenue LLC

Additional grantors on page \_\_\_\_\_

Grantee(s) (Last, First and Middle Initial)

Trinity River Funding, Inc.

Additional grantees on page \_\_\_\_\_

Legal Description (abbreviated form: i.e. lot, block, plat or section, township, range, quarter/quarter)

Lts 9 & 10, Block 11, Vernon Heights add. Mt. Vernon, Vol. 2,  
pg. 108

Additional legal is on page \_\_\_\_\_

Assessor's Property Tax Parcel/Account Number

3763-011-0100006

Additional parcel #'s on page \_\_\_\_\_

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

I am requesting an emergency nonstandard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document.

*Karen P. Fian*

Signature of Requesting Party

SUBMITTED FOR RECORDATION BY  
Trinity River Funding, Inc.  
3305 W. Spring Mountain Rd. Suite 60B  
Las Vegas Nevada 89102

AND RETURN TO:

Name Trinity River Funding, Inc.  
Address 3305 W. Spring Mountain Rd.  
Suite 60B  
City Las Vegas  
State, Zip Nevada 89102

## LINE OF CREDIT DEED OF TRUST WITH ASSIGNMENT OF RENTS AND ACCELERATION IN EVENT OF SALE

**THIS DEED OF TRUST ("Deed")**, is made this 3rd day of October, 2002 by and between Atlantic Avenue LLC a Washington LLC **TRUSTOR**, whose address is **PO Box 112 Greenbank WA 98253** {Street and Number} {City} {State}

and Trinity River Funding, Inc a Nevada Corporation, as **TRUSTEE**, and Trinity River Funding, Inc., as **BENEFICIARY**.

**WITNESSETH:** That Trustor irrevocably **GRANTS, TRANSFERS AND ASSIGNS** to **TRUSTEE, IN TRUST, WIT POWER OF SALE**, the following-described real property (the 'Property') located in Mt. Vernon in Skagit County, of the State of Washington:

Commonly known as. **202 N. 4<sup>th</sup> St. Mt. Vernon WA 98273**

Lots 9 and 10, Block 11, Vernon Heights addition to Mount Vernon, as per Plat Recorded in Volume 2 of Plats, Page 108, Records of Skagit County, Washington, situate in the County of Skagit County, Washington

including all appurtenances and easements used in connection with the Property; all water and water rights, whether riparian, appropriate' or otherwise, and whether or not appurtenant, used in connection with the Property; all shares of stock evidencing the same; pumping stations, engines, machinery, pipes and ditches; and also including all gas, electric, cooking, heating, cooling, air conditioning, refrigeration and plumbing fixtures and equipment which have been, or may later be, attached in any manner to any building now or later on the Property or to the Property itself and also the rents, issues and profits from any or all of the foregoing, **SUBJECT, HOWEVER**, to the right power and authority given below to the Beneficiary to collect and apply those rents, issues and profits **FOR THE PURPOSE OF SECURING:**

**FIRST:** All of the obligations of Atlantic Avenue LLC

under that certain revolving Equity Line Disclosure and Agreement between the obligor(s) and Beneficiary, DATED October 3, 2002 (the "Agreement"), as it might be modified from time to time, as well as any extension, renewal or replacement of it.

The maximum amount to be initially secured by this Deed. is, as of the date of this Deed, \$350,000. If Trustor's credit limit under the Agreement is subsequently increased, this Deed will include all advances up to such increased credit limit. All or any part of said maximum amount may be borrowed, repaid and re-borrowed as often as the obligor(s) might desire, as long as the rights



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the obligor( ) to compel advances under the Agreement have not been terminated. All amounts secured by this Deed are subject to variable rate of interest, which may change from time to time, as recited in the Agreement.

SECOND: Performance of each agreement of Trustor contained in this Deed; and

THIRD: Payment of all sums to be paid by Trustor under this Deed.

TO PROTECT THE PROPERTY AND SECURITY GRANTED BY THIS DEED OF TRUST, TRUSTOR AGREES:

(a) To (i) properly care for and keep the Property and buildings and improvements on it in good condition and repair; (ii) when necessary underpin and support any building or other improvement on the Property; (iii) complete or restore promptly, and in good and workmanlike fashion, any building or other improvement on the Property which may be constructed, damaged or destroyed and to pay in full all costs and expenses incurred in connection with such completion or restoration; (iv) to not commit or permit waste of or on the Property; (v) not commit, suffer or permit to exist any contamination of the Property or any building or other improvement on it, including, but not limited to contamination by reason of any hazardous or toxic substance (as defined or delineated by any applicable federal or state statute regulation), and, in the event of the discovery of any such contamination, to promptly remedy, cure, clean-up and otherwise permanently remove and eliminate such contamination; (vi) comply with all laws, covenants, conditions or restrictions affecting the Property; (vii) with respect to a leasehold estate, to observe and perform all obligations of trustor under any lease(s) and, as necessary, to take any action required, and to refrain from taking any action prohibited, for preservation and protection of the leasehold estate and its value; (viii) provide and maintain insurance covering all buildings and other improvements on the Property against loss by fire, earthquake, and other such hazards as Beneficiary may reasonably require and to deliver the policies of said insurance to Beneficiary, it being agreed that, in the event of a loss, the amount collected under any policy of insurance may, at Beneficiary's option and as permitted by law, be applied by Beneficiary upon any indebtedness and/or obligation secured hereby and in such order as Beneficiary may determine, or that said amount or any part portion of it may, at Beneficiary's option, either be used in replacing or restoring the improvements partially or totally destroyed to a condition satisfactory to Beneficiary or be released to Trustor, in regardless of which events neither Trustee nor Beneficiary shall be obligated to see to the proper application thereof, nor shall the amount so released or used be deemed a payment on any indebtedness secured hereby; such application, use and/or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice, and any unexpired insurance and all returnable insurance premiums shall inure to the benefit of, and pass to, the purchaser of the Property at any Trustee's sale held hereunder; (ix) appear in and defend (without cost or expense to Beneficiary or Trustee) any action, or proceeding purporting to affect the security given under this Deed, or the rights or powers of Beneficiary or Trustee, and, when required by Trustee or Beneficiary, to commence and maintain any action or proceeding necessary to protect such security and/or such rights powers; (x) pay all costs and expenses, including, but not limited to, a reasonable attorney's fee, if Trustee or Beneficiary elects to appear defend or commence any action or proceeding necessary to protect the security given under this Deed or the rights or powers of Beneficiary or Trustee, including any proceeding under the law relating to insolvency or bankruptcy; (xi) pay before delinquency all taxes, assessment and charges affecting the Property; (xii) pay when due all encumbrances, charges and liens affecting, or purporting to affect, title to the Property.

(b) If Trustor fails to make any payment or do any act provided for in this Deed, then Beneficiary or Trustee (without obligation to do so, and without notice or demand upon Trustor, and without releasing Trustor from obligation under this Deed) may make or do the same and may pay, purchase contest or compromise any encumbrance, charge or lien which, in the judgment of either, appears to affect the Property. In so paying, purchasing, contesting or compromising any encumbrance, charge or lien, Beneficiary or Trustee may incur any liability and expend whatever amounts Beneficiary or Trustee, in its or their absolute discretion may deem necessary to accomplish such paying, etc. All liability so incurred or sums so expended by Beneficiary or Trustee shall be secured by this Deed and, without demand, shall be immediately due and payable by Trustor and shall bear interest at the rate of interest then applicable to the principal balance under the Agreement, provided, however, that at Beneficiary's or Trustee's option, such sums may be treated as advances under the Agreement and added to the principal balance then due under the Agreement and be payable under the terms of the Agreement,

#### IT IS MUTUALLY AGREED THAT:

1. Should the Property or any part of it be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire, earthquake, flood or any other manner, Beneficiary shall be entitled, at its option, to commence, appear in and prosecute in its own name any action or proceeding, or make any compromise or settlement in connection with such taking or damage, and to obtain all compensation, awards or other relief available.

All such compensation, awards, damages, rights of action and proceeds, including, but not limited to, the proceeds of any policies of insurance affecting the Property, are hereby assigned to Beneficiary, which may release any money so received by it or apply the same on any indebtedness secured by this Deed. In the event that anyone shall establish and exercise any right to develop, bore for or mine for any water, gas, oil or minerals on or under the surface of the Property, any sums that become due and payable to Trustor by way of bonus or royalty shall be considered rent under this Deed, and such sums, together with damages and other compensation payable to Trustor by reason of the exercise of such rights, are hereby made subject to this Deed and shall be applied in accordance with its provisions,

Trustor agrees to execute such further assignments of any compensation, award, damages and rights of action and proceeds as Beneficiary or Trustee may require. Trustee or Beneficiary may enter upon the Property at any time during the existence of this trust for the purpose of inspection or for the accomplishment of any of the purposes recited in this Deed.

2. By accepting payment of any sum secured by this Deed after its due date, or after the filing of a notice of default and of election to sell, 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, or to proceed with the sale under any such notice of default and of election to sell for any unpaid balance of the indebtedness.



3. Without affecting the liability of any person (including, but not limited to, Trustor) for the payment of any indebtedness secured by this Deed, or the lien of this Deed on the remainder of the Property for the full amount of any indebtedness owing: (a) Beneficiary may, from time to time and without notice: (i) release any person liable for the payment of any of the indebtedness, (ii) extend the time of payment of any of the indebtedness, (iii) accept additional security of any kind, including deeds of trust or mortgages, (iv) alter, substitute or release any property securing the indebtedness and (b) Trustee may, at any time and from time to time, upon the written request of Beneficiary: (i) consent to making of any map or plat of the Property (ii) join in granting any easement or creating any restriction on the Property, (iii) join in any subordination or other agreement affecting this Deed or its Lien or charge and/or (iv) reconvey, without any warranty, all or any part of the Property, but only upon payment of its then-current fee for doing so.

4. Upon payment in full of all sums secured by this Deed, cancellation of the Agreement and performance of all obligations of Trustor, Trustee shall, but only upon a valid request to do so or if required to do so by law, and in either case only after payment of its then current fee for doing so, reconvey, without warranty, the estate vested in it by this Deed. The grantee in any reconveyance made because of this Deed may be described as 'the person or persons legally entitled thereto', and the recitals in any such reconveyance of any matters of fact shall be conclusive proof of their truthfulness,

5. If Trustor sells, conveys, or alienates the Property or any part of it or any interest in it, in any manner or way, whether voluntary or involuntarily, any indebtedness or obligation secured by this Deed, without regard to the maturity date(s) otherwise applicable to such indebtedness or obligation, at Beneficiary's option, and without demand or notice other than any required by law, shall immediately be and become due and payable.

6. If Trustor (i) engages in fraud or material representation or omission in order to obtain or maintain the line of credit established pursuant to the Agreement; or (ii) fails to meet the repayment terms of the Agreement; or (iii) acts or fails to act in a manner which adversely affects Beneficiary's security for the line of credit established pursuant to the Agreement or any rights in the security; or (iv) dies, then at Beneficiary's option, any indebtedness or obligation secured by this Deed, without regard to the maturity date(s) otherwise applicable to such indebtedness or obligation, and without demand or notice other than any required by law, shall immediately be and become due and payable.

7. Waiver of a right granted to Beneficiary under this Deed as to one transaction or occurrence shall not be deemed to be a waiver of the right as to an' subsequent transaction or occurrence. Beneficiary may rescind any notice before Trustee's sale by executing a Notice of Rescission and recording it. The recordation of the Notice shall also constitute a cancellation of any prior declaration of default and demand for sale of any acceleration of maturity of indebtedness affected by any prior declaration or notice of default. Beneficiary's exercise of the right of rescission shall not constitute a waiver of an, default then existing or subsequently occurring, nor shall it impair the right of Beneficiary to execute other declarations of default and demand for sale of notices of default and of election to close the property to be sold, nor shall it otherwise affect this Deed or any of the rights, obligations or remedies of Beneficiary and/or Trustee under this Deed.

8. At least the legal-minimum time having elapsed between the recordation of the Notice of Default and the date of sale, Trustee, having first given notice of sale as then required by law, without demand on Trustor, shall sell the Property at the time and place of sale fixed by it in the Notice of Sale, either as whole or in separate parcels, and in such order as Trustee may determine, at public auction, to the highest bidder for cash, in lawful money of the United States of America, payable at the time of sale. Trustee may postpone sale of all or any portion of the Property by a public announcement at the time of sale and, from time to time thereafter, may postpone the sale by public announcement at the time fixed by the previous postponement and, without further notice may make such sale at the time to which the same shall be so postponed. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recital in any such deed of any matters or facts, stated either specifically or in general terms, or stated as conclusions of law or fact, shall be conclusive proof of the truthfulness of any such matters or facts. Any person, including, but not limited to Trustor, Trustee or Beneficiary, may purchase at the sale. After deducting all costs, fees and expenses of Trustee and of this trust, including, but not limited to, costs of evidence of title in connection with the sale, Trustee shall apply the proceeds of the sale to the payment of all sums then secured by this Deed, in such order and manner as may be required by Beneficiary. The remainder, if any, shall be paid to the person or persons legally entitled to it. 11 Beneficiary elects to bring suit to foreclose this Deed in the manner, and subject to, the provisions, rights and remedies related to the foreclosure of a mortgage, Beneficiary shall be entitled to a reasonable sum, to be fixed by the court: as attorneys' fees expended in the prosecution of that action.

9. Trustor gives and confers upon Beneficiary the right, power and authority, during the continuance of these trusts, to collect the rents issues and profit! of the Property and of any personal property located on it, with or without taking possession of it, and Trustor absolutely and unconditionally assigns all suet rents, issues and profits to Beneficiary; provided, however, that Beneficiary consents to the collection and retention of the rents, issues and profits by Trusty as they accrue and become payable, only if Trustor is not, at such times, in default; Beneficiary, may, at any time and without notice, either in person, by agent or by a receiver to be appointed by a court, and without regard to the adequacy of am security for the indebtedness secured by this Deed, enter upon and take possession of the Property, or any part of it, and, in its own name, sue for o otherwise collect such rents, issues and profits, including, but not limited to, those past due and unpaid, and apply the same, less costs and expenses o operation and collection, including, but not limited to, reasonable attorneys' fees, to any indebtedness secured by this Deed. Such application shall be m sue order as Beneficiary may determine. Beneficiary may also perform such acts of repair, cultivation, irrigation or protection as may be necessary or proper t conserve the value of the Property and may also lease the Property or any part of it for such rental, term and upon such conditions as its judgment dictates Beneficiary may also prepare for harvest, remove and see any crops that may be growing upon the Property and apply the proceeds from such sale to the indebtedness secured by this Deed. Beneficiary's entering upon and taking possession of the Property, collecting rents, issues and profits and applying them as described above, shall not waive or cure any default or notice of default under this Deed or invalidate any act done pursuant to such notice. Trustor also assigns Trustee, as further security for the performance of the obligations secured by this Deed, all prepaid rent and ail moneys to secure the payment of ant rent, which may have been or later deposited with Trustor by any lessee of the Property, and upon default of the performance of any of the provisions of the Deed, Trustor agrees to deliver such rents and deposits to Trustee.

10. Any Trustor who is a married person expressly agrees that recourse may be had against his or her separate property for any deficiency after the sale of the Property,

11. The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed is waived to the fullest extent permitted by law.

12. Beneficiary may, from time to time and at any time, substitute another trustee in place of Trustee named above to execute this trust. Upon sue appointment, and without conveyance to the successor trustee, the latter shall be vested with all the title, powers and duties conferred upon Trustee name above. Each such appointment and substitution shall Be made by written instrument executed by Beneficiary and containing reference to this Deed sufficient to identify it. Each such instrument when recorded m the office of the County Recorder of the County or counties in which the Property is located, shall b conclusive proof of the proper appointment of the successor trustee.



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13. This Deed shall inure to and bind the heirs, devisees, legal representatives, successors and assigns of the parties to it. All obligations of each Trusts under this Deed are joint and several. The rights or remedies granted under this Deed, or by law, shall not be exclusive, but shall be concurrent and cumulative.

14. For any statement regarding the obligations secured by this Deed, Beneficiary may charge the maximum amount permitted by law at the time of the request for such statement.

15. If Trustor or any successor in interest to Trustor sells, conveys, alienates, assigns or otherwise transfers the property covered by this Deed: (i) the transferor and transferee shall each immediately give written notice of transfer to Beneficiary, addressed to the manager of Beneficiary's branch office designated on the last page of this Deed; and (ii) all credit extended by Beneficiary under this Agreement, whether before or after the property is transferred, shall be secured under this Deed as if no transfer had occurred.

If mailing address is set forth opposite any Trustor's signature below, but not otherwise, that Trustor shall be deemed to have requested that a copy of any Notice of Default and of any Notice of Sale be mailed to that Trustor at that address. MAILING ADDRESS FOR NOTICES: Address listed above.

Street, City and State

Signature of Trustor

IN WITNESS WHEREOF, TRUSTOR has executed this Deed of Trust.

Nancy Roberts  
Atlantic Avenue LLC / Trustor by Nancy Roberts its Managing Member

Date: 10/10/02

Date: \_\_\_\_\_

Executed on 10/10/2002 at Santa Fe  
STATE OF New Mexico  
COUNTY OF Santa Fe  
ON 10/10/02 before me, Lavern Vigil  
personally appeared Nancy Roberts

personally known to me (or proved to me on the bases of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument

WITNESS MY HAND AND OFFICIAL SEAL

(SEAL)

Lavern Vigil  
2-8-03

(The form of Request for Full Reconveyance appearing below is Not to be recorded. It is to be used only if and when the indebtedness has been paid.)

### REQUEST FOR RECONVEYANCE

TO TRUSTEE:

The undersigned is the holder of the Agreement secured by this Deed of Trust. Said Agreement, together with all other indebtedness secured by this Deed of Trust, has been paid in full. You are hereby directed to cancel said Agreement and this Deed of Trust, which is delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Dated: \_\_\_\_\_ 20\_\_

(Space below this line reserve  
Do not lose or destroy this Deed of Trust OR THE AGREEMENT which it secures.  
reconveyance will be made)



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