

After Recording Return To:

Thomas A. Lerner
Stokes Lawrence, P.S.
800 Fifth Avenue, Suite 4000
Seattle, WA 98104-3179



200301240074
Skagit County Auditor

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Document Title: Trustee's Deed

Reference Number(s) of Auditor Number 200110150152
Documents Assigned or Released:

Grantor(s): Thomas A. Lerner, Trustee

Grantee(s): First Heritage Bank

Legal Description: Unit B, Seabreeze Townhomes II Condominium", as per plat recorded on February 11, 2000, under Auditor's File No. 200002110092, records of Skagit County, Washington, situate in Skagit County, Washington. This property is commonly known as 5903 Sands Way, Anacortes, WA 98221-4012.

Assessor's Property Tax 4749-000-002-0000
Parcel/Account Number(s): Property I.D. No. P116563

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800 Fifth Avenue, Suite 4000
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TRUSTEE'S DEED

THE GRANTOR, Thomas A. Lerner, as present Trustee under that Deed of Trust, as hereinafter particularly described, in consideration of the premises and payments, recited below, hereby grants and conveys without warranty, to First Heritage Bank, GRANTEE, that real property, situated in the County of Skagit, State of Washington, described as follows:

Unit B, Seabreeze Townhomes II Condominium", as per plat recorded on February 11, 2000, under Auditor's File No. 200002110092, records of Skagit County, Washington, situate in Skagit County, Washington. This property is commonly known as 5903 Sands Way, Anacortes, WA 98221-4012.

RECITALS

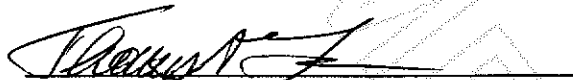
1. This conveyance is made pursuant to the powers, including the power of sale, conferred upon said Trustee by that certain Deed of Trust between Bruce Prater and Marie Prater, as Grantors, to Land Title Company of Skagit County, as Trustee, and First Heritage Bank, as Beneficiary, dated October 3, 2000, recorded October 15, 2000, as Auditor Number 200110150152, records of Skagit County, Washington.
2. Said Deed of Trust was executed to secure, together with other undertakings, the payments of a promissory note according to the terms thereof, in favor of First Heritage Bank and to secure any other sums of money which might become due and payable under the terms of said Deed of Trust.
3. The described Deed of Trust provides that the real property conveyed therein is not used principally for agricultural or farming purposes.
4. Default having occurred in the obligations secured and/or covenants of the Grantor as set forth in "Notice of Trustee's Sale" described below, which by the terms of the Deed of Trust made operative the power to sell, the thirty day advance "Notice of Default" was



transmitted to the Grantor, or his successor in interest, and a copy of said Notice was posted or served in accordance with law.

5. First Heritage Bank, being then the holder of the indebtedness secured by said Deed of Trust, delivered to said Trustee a request directing said Trustee to sell the described property in accordance with law and the terms of said Deed of Trust.
6. The defaults specified in the "Notice of Default" not having been cured, the Trustee, in compliance with the terms of said Deed of Trust, executed and on October 17, 2002 recorded in the office of the Auditor of Skagit County, Washington, a "Notice of Trustee's Sale" of said property, as Auditor No. 200210170066.
7. The Trustee, in its aforesaid "Notice of Trustee's Sale," fixed the place of sale as the south entrance on the first floor of the Skagit County Courthouse, 205 W. Kincaid Street, Mount Vernon, WA 98273-4225, a public place on January 24, 2003 at 10:00 o'clock a.m., and in accordance with law, caused copies of the statutory "Notice of Trustee's Sale" to be transmitted by mail to all persons entitled thereto and either posted or served prior to ninety days before the sale; further, the Trustee caused a copy of said "Notice of Trustee's Sale" to be published once between the thirty-fifth and twenty-eighth day before the date of sale, and once between the fourteenth and seventh day before the date of sale in a legal newspaper in each county in which the property or any part thereof is situated; and further, included with this Notice, which was transmitted or served to or upon the Grantor and his successor in interest, a "Notice of Foreclosure" in substantially the statutory form.
8. During foreclosure, no action was pending on an obligation secured by said Deed of Trust.
9. All legal requirements and all provisions of said Deed of Trust have been complied with, as to acts to be performed and notices to be given, as provided in Chapter 61.24 RCW.
10. The default specified in the "Notice of Trustee's Sale" not having been cured ten days prior to the date of Trustee's Sale and said obligation secured by said Deed of Trust remaining unpaid, on January 24, 2003, the date of sale, the Trustee then and there sold at public auction to said Grantee, the highest bidder therefore, the property hereinabove described, for the sum of \$60,000.00 by credit bid against the obligation secured by said deed of trust, together with all fees, costs and expenses provided by statute.

DATED: January 23, 2003

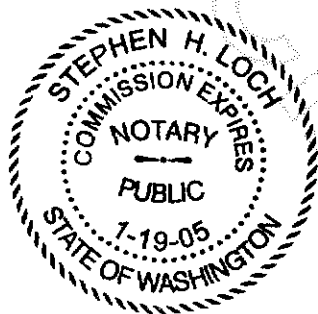

Thomas A. Lerner
Successor Trustee



STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Thomas A. Lerner is the person who appeared before me, and said person acknowledged that he/she signed this instrument and acknowledged it to be his/her free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: January 23, 2003.



Stephen H. Loch
[PRINT NAME] Stephen H. Loch
NOTARY PUBLIC for the State of Washington,
residing at King County
My appointment expires: 1-19-05

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SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

JAN 24 2003

Amount Paid \$
Skagit Co. Treasurer
By [Signature] Deputy



200301240074
Skagit County Auditor

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