

After Recording, Return To:
Sang Chae
Chae & Associates, P.S.
3150 Richards Rd., Ste. 204
Bellevue, WA 98005



200308210111
Skagit County Auditor

FIRST AMERICAN TITLE CO.

74160

NOTICE OF TRUSTEE'S SALE

Pursuant to the Revised Code of Washington 61.24, et seq.

I.

On December 5, 2003, at 9:00 o'clock a.m. at 205 W. Kincaid Street, Mt. Vernon, WA , inside Skagit County Courthouse, first floor lobby, in the City of Mt. Vernon, State of Washington, the undersigned Trustee will sell at public auction to the highest and best bidder, payable at the time of sale, the following described real property, situated in the County(ies) of Skagit, State of Washington, to-wit:

Abbreviated Legal Description: Portion Lots 3-6, all Lots 7-10, Block 9, "Behren's & Moody's to Mt. Vernon".

-FULL LEGAL ATTACHED IN "EXHIBIT A"
Situate in the City of Mt. Vernon, County of Skagit, State of Washington.

Assessor's Tax Parcel Numbers: 3703-009-006-0009 P52232, 3703-009-010-0102 P 52236

which are subject to that certain Deed of Trust dated June 8, 1998, recorded June 8, 1998, under Auditor's File No. 9806080143, records of Skagit County, Washington, from Medalia, Inc., as Grantor, to First American Title Company of Skagit County, as Trustee, to secure an obligation in favor of Metlife Capital Corporation (General Electric Capital Business Asset Funding Corporation), as Beneficiary. All rights, title and interest in the Deed of Trust were assigned to Chan S. Park by Assignment of Deed of Trust recorded June 6, 2003, under Auditor's File No. 200306060188. The successor Trustee is Sang I. Chae, of Chae & Associates, P.S., 3150 Richards Rd., Ste. 202, Bellevue, WA 98005.

II.

No action commenced by the Beneficiary of the Deed of Trust is now pending to seek

satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

III.

The default(s) for which this foreclosure is made is/are as follows:

Failure to pay when due the following amounts which are now in arrears:

Principal amount due July 1, 2001:	\$1,377,247.25
Interest at 9.46% per annum from July 1, 2002 through July 1, 2003:	\$ 260,575.16
Per diem interest @ \$ 356.95 after July 1, 2003, plus any additional accrued per diem interest, to August 20, 2003:	\$ 17,847.50

2003 Real Property Taxes, plus any penalties and interest:	\$4,115.92
2003 Real Property Taxes, plus any penalties and interest:	\$8,248.68
2002 Real Property Taxes, plus any penalties and interest:	\$1,993.87
2002 Real Property Taxes, plus any penalties and interest:	\$3,995.91
Sewer and Garbage Liens:	\$2,946.80

TOTAL: \$1,676,971.09

Other potential defaults do not involve payment to the Beneficiary. If applicable, each of these defaults must also be cured. Listed below are categories of common defaults which do not involve payment to the Beneficiary. Opposite each such listed default is a brief description of the action/documentation necessary to cure the default. The list does not exhaust all possible other defaults; any defaults identified by beneficiary or Trustee that are not listed below must also be cured.

OTHER DEFAULT

ACTION NECESSARY TO CURE

Nonpayment of Taxes/Assessments

Deliver to Trustee written proof that all taxes and assessments against the property are paid current.

Default under any senior lien

Deliver to Trustee written proof that all senior liens are paid current and that no other defaults exist.

Failure to insure property against hazard

Deliver to the Trustee written proof that the property is insured against hazard as required by the Deed of Trust.

Cease and desist from committing waste, repair all



200308210111
Skagit County Auditor

damage to property and maintain property as required in Deed of Trust.

Unauthorized sale of property (Due on Sale)

Revert title to permitted vestee.

IV.

The sum owing on the obligation secured by the Deed of Trust is: Principal \$1,377,247.25, together with interest as provided in the note or other instrument secured from the 1st day of July, 2001, and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

V.

The above-described real property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied regarding title, possession, or encumbrances on December 5, 2003. The default(s) referred to in paragraph III must be cured by November 24, 2003, (11 days before the sale date), to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before the close of the Trustee's business on November 24, 2003, (11 days before the sale date), the default(s) as set forth in paragraph III is/are cured and the Trustee's fees and costs are paid. The sale may be terminated any time after the November 24, 2003 (11 days before the sale date), and before the sale by the Borrower, Grantor, any Guarantor, or the holder of any recorded junior lien or encumbrance paying the entire principal and interest secured by the Deed of Trust, plus costs, fees, and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.

VI.

A written notice of default was transmitted by the Beneficiary or Trustee to the Borrower and Grantor at the following addresses:

Medalia Inc.
5305 Doon Way
Anacortes, WA 98221-2913

Joseph and Susan Medalia, Statutory Successors in Interest
5305 Doon Way
Anacortes, WA 98221-2913

by both first class and certified mail on July 8, 2003, proof of which is in the possession of the Trustee; and on 7/10/03 the Borrower and Grantor were personally served with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.



200308210111
Skagit County Auditor

VII.

The Trustee, whose name and address are set forth below, will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.

IX.

Anyone having any objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's sale.

X.

NOTICE TO OCCUPANTS OR TENANTS: The purchaser at the Trustee's sale is entitled to possession of the property on the 20th day following the sale, as against the grantor under the Deed of Trust (the owner) and anyone having an interest junior to the Deed of Trust, including occupants and tenants. After the 20th day following the sale the purchaser has the right to evict occupants and tenants by summary proceedings under the unlawful detainer act, Chapter 59.12 RCW.


Sang I. Chae, President of Chae & Associates, P.S.
Chae & Associates, P.S., Successor Trustee
3150 Richards Rd., Ste. 204
Bellevue, WA 98005
Tel: (425) 373-9922

STATE OF WASHINGTON)
) ss.
County of King)

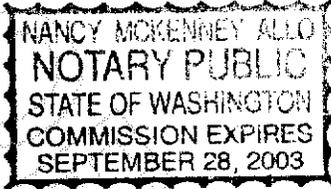


8/21/2003 Page 4 of 6 2:07PM

This is to certify that on Aug 20, 2003, personally appeared before me Sang I, Chae, to me known to be the President of Chae & Associates, P.S., the professional service corporation who executed the foregoing instrument as its free and voluntary act and deed for

said corporation, for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year as written above.



Nancy McKenney Allo
NOTARY PUBLIC in and for the State
of Washington, residing at Russell
My commission expires: 9/28/03

This is an attempt to collect a debt and any information obtained will be used for that purpose.


200308210111
Skagit County Auditor
8/21/2003 Page 5 of 6 2:07PM

"EXHIBIT A"

The land referred to herein is situated in the County of Skagit, State of Washington, and is described as follows:

Parcel "A":

The North 100 feet of Lots 3, 4, 5 and 6, Block 9, "BEHRENS & MOODY'S ADDITION TO WEST MOUNT VERNON, SKAGIT COUNTY, WASHINGTON", as per plat recorded in Volume 2 of Plats, page 101, records of Skagit County, Washington. (Also known as Tract "A" of that certain Short Plat No. MV-27-76 recorded September 10, 1976 under Auditor's File No. 842405 in Volume 1 of Short Plats, page 166, records of Skagit County, Washington).

Parcel "B":

Lots 7, 8, 9 and 10, Block 9, "BEHRENS & MOODY'S ADDITION TO WEST MOUNT VERNON, SKAGIT COUNTY, WASHINGTON", as per plat recorded in Volume 2 of Plats, page 101, records of Skagit County, Washington.



200308210111
Skagit County Auditor