

After Recording, Return To:

Marv Strasburg, P.S.
1191 - 2nd Avenue, Suite 1800
Seattle, WA 98101



200308220222

Skagit County Auditor

8/22/2003 Page

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19 4:11PM

**SHORT FORM
DEED of TRUST, ASSIGNMENT of RENTS,
SECURITY AGREEMENT and FIXTURE FILING**

C 28152 Chicago Title

Grantors: ANACORTES ENTERPRISES, LLC; JOHN R. COX & ASSOCIATES, L.L.C.;
ISLAND DEVELOPMENT, LLC; SEACREST REAL ESTATE
DEVELOPMENT, L.L.C.; CHARLES and ROBIN BAREFIELD

Grantee: MARINE HEIGHTS, LLC, Beneficiary
Chicago Title Company, Trustee

Abbreviated Legal Description:

- Parcel 1: Ptn Lots 19 and 20, Blk 21, City of Anacortes;
- Parcel 2: Ptn Lots 8, 9 and 10, Blk 227, City of Anacortes;
- Parcel 4: Lots 1-5, Blk 211, City of Anacortes;
- Parcel 5: Lot 23, Skyline No. 3;
- Parcel 6: Ptn 22nd Street;
- Parcel 7: Ptn Lots 1, 2 and 3, Blk 1401, Northern Pacific Add;
- Parcel 8: Ptn Lots 2, 3 4, 5 and 6, Blk 1401 Northern Pacific Add;
- Parcel 9: Ptn Lots 34-35, Anaco Beach;
- Parcel 10: J Lots 1-5, Blk 230, City of Anacortes;
I Lots 6 and 7, Blk 230, City of Anacortes;
A Lots 1-5, Blk 211, City of Anacortes;
B Lots 1, 2 and 3, Blk 210, City of Anacortes;
C Lots 4-20, Blk 210, City of Anacortes;
D Lots 6-10, Blk 211, City of Anacortes;
E Lots 1-5, Blk 231, City of Anacortes;
F Lots 6-10, Blk 231, City of Anacortes;
G Lots 16-20, Blk 231, City of Anacortes;
H Lots 16-20, Blk 209, City of Anacortes;

Assessor's Property Tax Parcel/Account:

Parcel 1: 3772-021-020-0002
Parcel 2: 3772-227-010-0007
Parcel 4: 3772-211-004-0017
Parcel 5: 3819-000-023-0008
Parcel 7: 3809-401-010-0400
Parcel 8: 3809-401-010-0300
Parcel 9: 3858-000-035-0005
Parcel 10: J 3772-230-005-0008
I 3772-230-006-0000
A 3772-211-004-0017
B 3772-210-003-0002
C 3772-210-020-0001
D 3772-211-010-0000
E 3772-231-005-0006
F 3772-231-010-0009
G 3772-231-020-0007
H 3772-209-020-0003

Ref No. of Document Assigned or Released: NONE

THIS DEED OF TRUST is made this 22nd day of August, 2003, between ANACORTES ENTERPRISES, LLC, a Washington limited liability company as to Parcel 1; JOHN R. COX & ASSOCIATES, L.L.C., a Washington limited liability company as to Parcels 2 and 5; ISLAND DEVELOPMENT, LLC, a Washington limited liability company as to Parcels 4 and 10; SEACREST REAL ESTATE DEVELOPMENT, L.L.C., a Washington limited liability company as to Parcels 7 and 8; the aforementioned four limited liability companies as to Parcel 6 as their interests may now or hereafter appear; and CHARLES BAREFIELD and ROBIN BAREFIELD, husband and wife, as to Parcel 9; as GRANTOR, whose address is P.O. Box 1364, Anacortes, WA 98221; and CHICAGO TITLE COMPANY, as TRUSTEE, whose address is 839 S. Burlington Boulevard, Burlington, WA 98233-0670; and MARINE HEIGHTS, LLC as BENEFICIARY, whose address is 3538 - 207th Avenue SE, Sammamish, WA 98075.

Grantor hereby irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale, the following described property in SKAGIT County, Washington:

See **Exhibit "A"** attached hereto and by this reference incorporated herein as if fully set forth.

TOGETHER WITH all the tenements, hereditaments and appurtenances, now or hereafter thereunto belonging or in any way appertaining, including without limitation all irrigation, crop,

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Skagit County Auditor

timber, produce, mineral, subterranean, oil, lateral support, air, view and development rights, and the rents, issues and profits thereof and all other property or rights of any kind or nature whatsoever further set forth in the Master Form Deed of Trust hereinafter referred to and all other rights mentioned herein (included in the term "Property"), SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Grantor to collect and apply such rents, issues and profits prior to default hereunder;

TOGETHER WITH all of Grantor's right, title and interest in and to all of its plans, specifications, surveys, plats, analyses, permits, reports, studies and entitlements related to the development of the Property described herein (referred to herein as "Plans and Permits");

TOGETHER WITH all easements, rights-of-way, rights of ingress and egress and all rights used in connection therewith or as a means of access thereto, streets, alleys, roads and all estates, rights, titles, interests, reversions, remainders, tenements, hereditaments and appurtenances thereof and thereto (all of which are included in the term "Property");

TOGETHER WITH all leasehold estate, right, title and interest of Grantor in, to and under all leases, subleases, tenancies, rental agreements, franchises or licenses covering the Property or any portion thereof now or hereafter existing or entered into, and all amendments, extensions, renewals and guaranties thereof, and all right, title and interest of Grantor thereunder ("Leases");

TOGETHER WITH all rents, income, issues and profits (including any payment(s) in exchange for lease termination or cancellation) of the Property and all the estate, right, title and interest of every nature whatsoever of Grantor in, to and under the same and the Leases, including all cash or security deposits (whether held by Grantor or in a trust account), advance rentals, and deposits or payments of similar nature (all, the "Rents");

TOGETHER WITH all right, title and interest of Grantor in, to and under all options to purchase or lease the Property or any portion thereof or interest therein, and any greater estate in the Property owned or hereafter acquired; and all interests, estates or other claims, both in law and in equity, which Grantor now has or may hereafter acquire in the Property (also a part of the "Property");

TOGETHER WITH any and all of Grantor's chattels, fixtures, attachments, appliances, apparatus, equipment, fittings, furniture, furnishings, partitions, machinery and other articles of personal property now or hereafter located or to be located at the Property as a part of the Improvements thereon, or erected or placed upon, attached to, or used, to be used or useful in connection with the construction, operation, use or occupancy of the Property; all building materials, supplies and equipment now or hereafter delivered to the Property and intended to be installed thereon; and all renewals or replacements of any of the foregoing property or articles in substitution thereof ("Personal Property");



TOGETHER WITH all right, title and interest of Grantor in, to and under all accounts, documents, instruments, chattel paper and general intangibles (as those terms are used in the Uniform Commercial Code, RCW 62A), and all contracts and contract rights, (including all service contracts, management contracts, utility contracts, construction contracts and warranties relating thereto) franchises, books, records, plans, specifications, permits, licenses, approvals, sewer rights, actions and causes of action which now or hereafter relate to, are derived from or are used in connection with the Property, or relate to the use, operation, maintenance, occupancy or enjoyment thereof or the conduct of any business or activities thereon ("Intangibles");

TOGETHER WITH all unearned premiums accrued, accruing or to accrue under insurance policies now or hereafter obtained by Grantor, and all awards, judgments, claims, compensation, settlements and proceeds of condemnation or insurance for the Property or the personal property described herein or any part thereof to which Grantor is entitled for any taking of or casualty to all or any part of the Property or personal property by condemnation or exercise of the right of eminent domain or casualty; all refunds with respect to the payment of property taxes and assessments; and all other proceeds of the conversion, voluntary or involuntary, of the property described herein or any portion thereof into cash or liquidated claims ("Proceeds");

TOGETHER WITH all right, title and interest of Grantor in all utility, escrow and all other deposits (and all letters of credit, certificates of deposit, negotiable instruments and other rights and evidence of rights to cash) relating to the Trust Estate or the construction or operation of the Property (all, "Deposits");

The Property, Plans and Permits, Leases, Rents, Personal Property, the Intangibles, the Deposits and the Rents (together with all Proceeds, substitutions, replacements and additions relating to any of them) and all other property described above are governed by RCW 61.24 to the extent allowed by law, and are further assigned to Beneficiary for security purposes pursuant to a Security Agreement as defined in Article 9 of the U.C.C. (RCW 62A). All of the real and personal property described herein is hereinafter referred to as the "Collateral". Grantor agrees that within five days after Beneficiary's written request following Grantor's default under the obligations secured hereby (a) to deliver over to Beneficiary or its agent the tangible Collateral and instruments evidencing ownership of the Collateral, and (b) to execute written assignments and/or notices, acknowledgments or other documents deemed necessary or appropriate by Beneficiary relating to the Collateral.

THIS DEED IS FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor incorporated by reference or contained herein and the payment of the sum of **Four Hundred Thousand and 00/00 DOLLARS (\$400,000.00)** with interest thereon according to the terms of a Promissory Note of even date herewith, payable to Beneficiary or order and made by Grantor; all renewals, modifications or 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 is agreed upon; all fees, charges and other sums owed in connection with any agreements made by or between the parties; and all



sums expended by Beneficiary to protect its security or the Collateral, including all costs and attorneys fees incurred in connection with challenges to Beneficiary's rights in the Collateral and the priority of Beneficiary's security interests and payments made by Beneficiary (at its sole discretion) to facilitate the sale of some or all of the Collateral.

Incorporated herein by this reference are the terms and conditions of the following agreements between some or all of the undersigned constituting Grantor and Beneficiary:

- Promissory Note dated this date
- Loan Agreement dated this date
- Assignment of Closing Proceeds dated this date
- Mortgage Commitment Letter dated July 14, 2003

In addition, a Guaranty has been entered into in connection with the loan secured hereby, the terms thereof are incorporated herein and all monies due Beneficiary under the Guaranty are secured hereby. A breach or default under any of the incorporated agreements shall also be a breach or default under this Deed of Trust.

To the extent some of the undersigned persons/entities constituting the Grantor is/are not receiving the proceeds from the loan from Beneficiary, repayment of which is secured hereby, each of such co-grantors represent to Beneficiary and acknowledge that (a) he/she/it has received a benefit from the loan transaction secured hereby through the benefit conferred on the Borrower, which is either an affiliate, relative, associate or other person or entity he/she/it intends to assist, (b) Beneficiary would not make the loan but for his/her/its participation in this Deed of Trust, and (c) he/she/it has reviewed the Promissory Note and other loan documents incorporated herein and approves said instruments.

By executing and delivering this Deed of Trust and the Note secured hereby, the parties agree that all provisions of Paragraphs 1 through 35, inclusive, of the Master Form Deed of Trust hereinafter referred to, except such paragraphs as are specifically excluded or modified herein, are hereby incorporated herein by reference and made an integral part hereof for all purposes the same as if set forth herein at length, and the Grantor hereby makes said covenants and agrees to fully perform all of said provisions. The Master Form Deed of Trust above referred to was recorded on the 25th day of July, 1968, in the Official Records of the office of the SKAGIT County Auditor in Book or Volume 19 of Mortgages, at page(s) 80-83, Auditor or File No. 716277.

A copy of such Master Form Deed of Trust is hereby furnished to the person executing this Deed of Trust and by executing this Deed of Trust the Grantor acknowledges receipt of such Master Form Deed of Trust.

Grantors warrant and represent that the property which is the subject of this Deed of Trust is not used principally or primarily for agricultural or farming purposes.



The following paragraphs of the Master Form Deed of Trust (hereinafter "MFDT") are hereby specifically excluded or modified:

1. Paragraph 2 of the MFDT is hereby amended to read as follows:

"This Deed of Trust also shall be deemed a Security Agreement as defined in the Uniform Commercial Code (RCW 62A) if and to the extent any of the property described in Section 1 of the MFDT or the Collateral are considered to be other than real estate by a court of law or equity, notwithstanding the provisions herein that it shall be considered real property subject to the Deed of Trust, and the remedies for any violation of the covenants, terms and conditions of the agreements herein contained shall be (i) as prescribed herein, or (ii) by general law, or (iii) as provided in the Uniform Commercial Code with respect to said property, at Beneficiary's option. Grantor agrees that this provision shall not derogate from or impair the parties' intention that all of the rights, estates and property described in Section 1 of the MFDT and the Collateral shall be and are hereby considered part of the real estate irrespective of whether (i) any such item is physically attached to the improvements, (ii) serial numbers are used for the better identification of certain items, or (iii) a UCC financing statement is filed with reference to said property in connection with the loan secured hereby."

2. Paragraph 5 of the MFDT is hereby amended to read as follows:

"In the event that any payment or portion thereof is not paid within seven (7) days, commencing with the date it is due, Beneficiary may collect, and Grantor agrees to pay with such payment, a 'late charge' of ten cents (\$.10) for each dollar so overdue as liquidated damages for the additional expense of handling such delinquent payments.

3. Paragraph 8 of the MFDT is hereby amended as follows:

- (i) Paragraph 8(d) is amended to read as follows: "That work shall not cease on the construction of such improvements for any reason whatsoever for a period of fifteen (15) or more consecutive days."

- (ii) There is added to paragraph 8 a new subsection to read as follows: "(e) The right of Beneficiary to inspect, supervise or approve any plans and specifications, or any construction, materials or other aspects or phases of the project which is the subject hereof, is solely for the purpose of enabling Beneficiary to administer the debts secured hereby and to protect its security therefor, and no such inspection, supervision or approval shall be deemed to be for the benefit of any person or party other than Beneficiary; and no other person or party, including, without limitation, the Grantor or its successor or successors, shall have any right whatsoever to rely in any respect or to any extent upon any such inspection, supervision or approval by Beneficiary."

4. Paragraph 14 of the MFDT is hereby amended to add thereto the following provisions:



"(i) The provisions of paragraph 14, whenever applicable, shall be deemed to empower Beneficiary or Trustee to make advances or incur costs and expenses for inspecting the premises periodically, keeping the premises in good repair and protecting the premises from loss, waste, damage or injury;

(ii) Beneficiary or Trustee, as the case may be, shall be the sole and conclusive judge of the need for any advances made or expenses incurred under the terms of this paragraph 14;

(iii) The amount of the advances made or expenses incurred hereunder shall be added to the indebtedness secured hereby and may be recovered in full, together with interest thereon at the legal rate, by the Beneficiary."

5. Paragraph 25 of the MFDT is hereby amended as follows:

(i) Clause (c) thereof is hereby deleted and removed, and the following is added and substituted therefor: "Due on Sale. The Collateral securing this Deed of Trust will not be sold, conveyed, encumbered or transferred by Grantor without Beneficiary's prior written consent. If title to said Collateral shall pass from Grantor by deed or otherwise, or if said property is sold on contract, or if the property is vacated by Grantor, such change in title or occupancy shall be deemed to increase the risk of Beneficiary, and Beneficiary may declare the whole amount of principal and interest then unpaid on the Note secured hereby immediately due and payable, or may, at its sole option, consent to such change in title or occupancy and increase the interest rate on said Note. Notwithstanding the aforesaid, the undersigned may convey portions of the property pursuant to the Partial Reconveyance provisions of the Loan Agreement."

(ii) There is added as an additional event of default under Clause (d) thereof the following: "(vii) a decision by any court of competent jurisdiction that this Deed of Trust is not a second lien on the premises described as Parcels 1, 2, 4, 7, 8 and 10 and a third lien on the premises described as Parcels 5 and 9, on Exhibit "A" attached hereto."

The undersigned Grantor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at the address hereinbefore set forth.

The undersigned individuals signing on behalf of Anacortes Enterprises, LLC, Island Development, LLC, John R. Cox & Associates, L.L.C., and Seacrest Real Estate Development, L.L.C., Washington limited liability companies, hereby represent and warrant that they are the only members of said companies. All of the individuals signing on behalf of their respective entities warrant and represent that they have the authority to execute this instrument on behalf of their entities.



WITNESS the hands of the Grantors on the day and year first above written.

ISLAND DEVELOPMENT, LLC
a Washington limited liability company

By: *Charles H. Barefield*
Charles H. Barefield, Member

By: *John R. Cox*
John R. Cox, Member

By: *Vincent F. Ventimiglia*
Vincent F. Ventimiglia

John R. Cox

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Charles H. Barefield
CHARLES H. BAREFIELD

Robin J. Barefield
ROBIN J. BAREFIELD

ANACORTES ENTERPRISES, LLC
a Washington limited liability company

By: *Charles H. Barefield*
Charles H. Barefield, Member

By: *John R. Cox*
John R. Cox, Member

By: *Vincent F. Ventimiglia*
Vincent F. Ventimiglia, Member

John R. Cox

JOHN R. COX & ASSOCIATES, L.L.C.
a Washington limited liability company

By: *John R. Cox*
John R. Cox, Member

By: *Linda M. Cox*
Linda M. Cox, Member



SEACREST ESTATES, L.L.C.
a Washington limited liability company

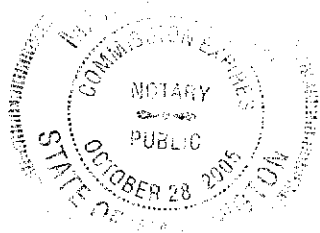
By: *Vincent F. Ventimiglia*
Vincent F. Ventimiglia, Member

By: *John R. Cox*
John R. Cox, Member

STATE of WASHINGTON)
COUNTY of Skagit) ss.

On this 12 day of August, 2003, before the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Charles H. Barefield**, to me known to be a member of **Anacortes Enterprises, LLC and Island Development, LLC**, the limited liability companies that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said companies, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



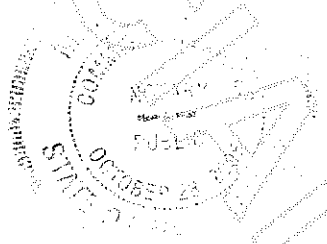
Charles H. Barefield
Notary Public in and for the State of Washington,
Residing at *Anacortes*
My commission expires: *10-28-05*



STATE of WASHINGTON)
COUNTY of Skagit ss.

On this 12th day of August, 2003, before the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **John R. Cox**, to me known to be a member of **Anacortes Enterprises, LLC, Island Development, LLC, John R. Cox & Associates, L.L.C. and Seacrest Real Estate Development, L.L.C.**, the limited liability companies that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said companies, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

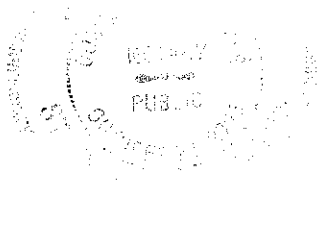
WITNESS my hand and official seal hereto affixed the day and year first above written.


Wendy Handberg
Notary Public in and for the State of Washington,
Residing at *Anacortes*
My commission expires: *10-28-05*

STATE of WASHINGTON)
COUNTY of Skagit ss.

On this 12th day of August, 2003, before the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Linda M. Cox**, to me known to be a member of **John R. Cox & Associates, L.L.C.**, the limited liability company that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

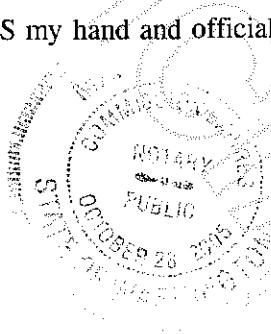

Wendy Handberg
Notary Public in and for the State of Washington,
Residing at *Anacortes*
My commission expires: *10-28-05*

STATE of WASHINGTON)

COUNTY of Skagit)^{SS.}

On this 12th day of August, 2003, before the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **Vincent F. Ventimiglia**, to me known to be a member of **Anacortes Enterprises, LLC, Island Development, LLC, and Seacrest Real Estate Development, L.L.C.**, the limited liability companies that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said companies, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



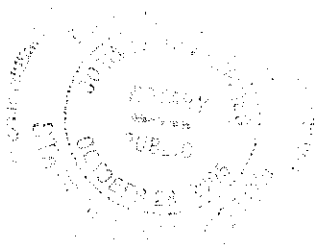
Vincent F. Ventimiglia
Notary Public in and for the State of Washington,
Residing at Anacortes
My commission expires: 10-28-05

STATE of WASHINGTON)

COUNTY of Skagit)

On this 12th day of August, 2003, before the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **CHARLES H. BAREFIELD**, described in and who executed the foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the use and purposes therein mentioned.

GIVEN under my hand and official seal hereto affixed the day and year first written above.



Vincent F. Ventimiglia
Notary Public in and for the State of Washington,
Residing at Anacortes
My commission expires: 10-28-05

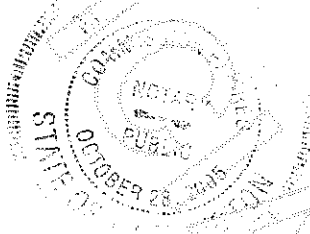


STATE of WASHINGTON)

COUNTY of Skagit)

On this 12th day of August, 2003, before the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared **ROBIN J. BAREFIELD**, described in and who executed the foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the use and purposes therein mentioned.

GIVEN under my hand and official seal hereto affixed the day and year first written above.



Robin J. Barefield
Notary Public in and for the State of Washington,
Residing at *Arden*
My commission expires:
10-28-05



EXHIBIT "A"

PARCEL 1:

The East Half Of Lot 19 And All Of Lot 20, Block 21, MAP OF THE CITY OF ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, pages 4 Through 7, records of Skagit County, Washington;

PARCEL 2:

The West 12.40 feet of Lot 8 and all of Lots 9 and 10, Block 227, "MAP OF THE CITY OF ANACORTES", according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington;

TOGETHER WITH that portion of abutting 22nd Street vacated by Ordinance #2540

(Also known as Lot 5, "WINDWARD, 200010200150).

PARCEL 3 (COWLITZ COUNTY)

PARCEL 4:

Lots 1 through 5, Block 211, "MAP OF THE CITY OF ANACORTES", as per plat recorded in Volume 2 of Plats, page 4, records of Skagit County, Washington.

PARCEL 5:

Lot 23, SKYLINE NO. 3, according to the plat thereof, recorded in Volume 9 of Plats, pages 54 and 55, records of Skagit County, Washington.

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Skagit County Auditor

EXHIBIT 'A' continued:

PARCEL 6:

A parcel of land in the Southwest Quarter of Section 24, Township 35 North, Range 1 East of the Willamette Meridian, designated as "unopened row" on the Skagit County Assessor's map at 22nd Street and "D" Avenue as disclosed by Survey recorded January 24, 2002 under Auditor's File No. 200201240260, records of Skagit County, Washington.

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EXHIBIT 'A' continued:

PARCEL 7:

A portion of Lots 1, 2 and 3 of Block 1401, "NOTHERN PACIFIC ADDITION TO ANACORTES" according to the plat thereof recorded in Volume 2 of Plats, page 9, records of Skagit County, Washington, and portion of the abandoned Great Northern Pacific Railway right-of-way, being more particularly described as follows:

Beginning at the Southeast corner of said Lot 1;
Thence North $20^{\circ}17'36''$ West along the East line of said Lot 1, a distance of 183.28 feet to the Northeasterly corner of said Lot 1;
Thence North $67^{\circ}59'20''$ East along the Northerly margin of New York Avenue, a distance of 80.04 feet to the Northwesterly corner of Block 1301;
Thence North $20^{\circ}17'36''$ West along the Westerly boundary of said Block 1301 extended to a point 15 feet distant Southeasterly, measured at right angles from the centerline of the railway of said Great Northern Railway Company, as located and constructed on March 6, 1940;
Thence Southwesterly along said right-of-way margin a distance of 124.69 feet;
Thence South $06^{\circ}08'45''$ West a distance of 90.67 feet;
Thence South $20^{\circ}17'36''$ East a distance of 78.19 feet;
Thence North $69^{\circ}42'24''$ East a distance of 45.00 feet to a point lying 10 feet West, as measured perpendicular of the West line of said Lot 1;
Thence South $20^{\circ}17'36''$ East parallel to and 10 feet distant Westerly of the West line of said Lot 1 a distance of 157.63 feet to the South line of said Block 1401;
Thence North $69^{\circ}42'24''$ East along the South line of said Block 1401 a distance of 40.00 feet to the point of beginning.

(Also known as Lot 4 of Survey, recorded April 23, 1999 under Auditor's File No. 9904230058, filed in Volume 21 of Surveys pages 187 and 188)

continued.....



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Skagit County Auditor

EXHIBIT 'A' continued:

PARCEL 8:

A portion of Lots 2, 3, 4, 5 and 6, Block 1401, "NORTHERN PACIFIC ADDITION TO ANACORTES", according to the plat there of recorded in Volume 2 of Plats, page 9, records of Skagit County, Washington, and portions of the abandoned Great Northern Pacific Railway right-of-way, being more particularly described as follows:

Beginning at a point on the South line of said Lot 3, lying 10 feet Easterly as measured perpendicular to the West line of said Lot 3;

Thence North 69°42'24" East along the South line of said Block 1401, a distance of 40.00 feet to a point on the South line of said Lot 2, lying 20 feet Easterly, as measured perpendicular to the West line of said Lot 2;

Thence North 20°17'36" West parallel to and 20 feet Easterly as measured perpendicular to the West line of said Lot 2, a distance of 157.63 feet;

Thence South 69°42'24" West, a distance of 45.00 feet;

Thence North 20°17'36" West a distance of 78.19 feet;

Thence North 06°08'45" East a distance of 90.67 feet to a point 15 feet distant Southeasterly, measured at right angles from the centerline of the railway of said Great Northern Railway Company, as located and constructed on March 6, 1940;

Thence Southwesterly along said right-of-way margin a distance of 125.5 feet to a point lying 10 feet East (as measured perpendicular) of the Northerly projection of the West line of said Lot 6;

Thence South 20°17'36" East parallel to and 10 feet distant from the West line of said Lot 6, a distance of 184.11 feet;

Thence North 69°42'24" East a distance of 90.00 feet to a point lying North 20°17'36" West from the point of beginning;

Thence South 20°17'36" East a distance of 127.63 feet to the point of beginning.

(Also known as Lot 3 of Survey, recorded April 23, 1999, under Auditor's File No. 9904230058, filed in Volume 21 of Surveys, pages 187 and 188).

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EXHIBIT 'A' continued:

PARCEL 9:

The Southerly 37.07 feet, as measured along the West line of Tract 34 and all that portion of Tract 35, "ANACO BEACH", according to the plat thereof recorded in Volume 5 of Plats, Page 4, records of Skagit County, Washington: lying Northerly of the following described line;

Beginning at a point on the East line of said Tract 35 at a point 75 feet South, as measured at right angles, from the North line of the Southerly 37.07 feet, as measured along the Westerly line of Tract 34;

Thence South 89 degrees 56'00" West 128;

Thence South 45 degrees West to a point which is 92 feet South of, as measured at right angles to the North line of the Southerly 37.07 feet; ass measured along the West line of said Tract 34;

Thence South 89 degrees 56'00" West a distance of 68 feet, to the West line of said Tract 35 and the terminus of said line;

continued.....



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EXHIBIT 'A' continued:

TOGETHER WITH that portion of Tract 1, Plate 2, Tide and Shore Lands of Section 34, Township 35 North, Range 1 East, W.M., Anacortes Harbor, as shown on Official map thereof in the office of the State Land Commissioner at Olympia, Washington, lying in front of, adjacent to, or abutting upon that portion of the herein above described property lying within the Southerly half of Tract 35, "ANACO BEACH", according to the plat thereof recorded in Volume 5 of Plats, page 4 records of Skagit County, Washington.

PARCEL 10 A:

Lots 1 through 5, Block 211, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

PARCEL 10 B:

That vacated portion of 18th Street and Lots 1, 2 and 3, Block 210, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington, described as follows:

Begin at the intersection of the North line of the vacated South 15 feet of 18th Street, and the West line of "D" Avenue as shown on said plat;
thence South 0°34'46" West along the West line of "D" Avenue, 84.50 feet;
thence West parallel with the centerline of 18th Street 75.00 feet;
thence North parallel with the West line of "D" Avenue to the North line of the vacated South 15 feet of 18th Street;
thence East along said North line to the point of beginning; being known as Lot 1 of the unrecorded "Plat of Windward Village".

PARCEL 10 C:

Lots 4 through 20, Block 210, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

PARCEL 10 D:

Lots 6 through 10, Block 211, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

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EXHIBIT 'A' continued:

PARCEL 10 E:

Lots 1 through 5, inclusive, Block 231, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

PARCEL 10 F:

Lots 6 through 10, inclusive, Block 231, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

PARCEL 10 G:

Lots 16 through 20, inclusive, Block 231, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

PARCEL 10 H:

Lots 16 through 20, inclusive, Block 209, MAP OF THE CITY OF ANACORTES, according to the plat thereof recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

PARCEL 10 I:

Lots 6 and the East Half of Lot 7, inclusive, Block 230, "MAP OF THE CITY OF ANACORTES", according to the plat thereof recorded in Volume 2 of Plats pages 4 through 7, records of Skagit County, Washington.

PARCEL 10 J:

Lots 1, 2, 3 and the East 10 feet of Lot 4, inclusive, Block 230, "MAP OF THE CITY OF ANACORTES", as per plat recorded in Volume 2 of Plats, pages 4 through 7, records of Skagit County, Washington.

ALL Situated in Skagit County, Washington

- END OF EXHIBIT "A" -



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