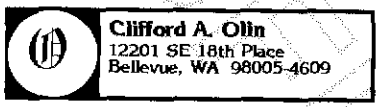


After recording,
send to:



200310150018
Skagit County Auditor
10/15/2003 Page 1 of 7 9:12AM



DEED OF TRUST

SUMMARY FOR RECORDER'S USE:

1. **Reference Number of documents**
being assigned or released: NOT APPLICABLE
2. **Grantor: HORTENSE'S CEDAR RESERVE, LLC, a Washington Limited Liability Company**
3. **Grantee (Beneficiaries & Trustee):**
 1. COOK, JEFFREY S.
 2. DELZELL, SUSAN C.
 3. Land Title of Skagit County (Trustee)
4. **Legal Description:** Parcel A: NW 1/4 of SW 1/4 in Section 30, Township 33 N, Range 5 E. W.M.
Parcel B: Government Lot 4 in Section 30, Township 33 N., Range 5 E. W.M.
Parcel C: Government Lot 1 in section 25, Township 33 N., Range 4 E. W.M.

Additional legal description is on page 1. & 2. of document
5. **Assessor's Property Tax Parcel Account Numbers:**
 1. 330530-0-004-0100;
 2. 330530-0-004-0006;
 3. 330425-0-001-007;
 4. 330530-3-001-0003.

THIS DEED OF TRUST is entered into this 1st day of **OCTOBER, 2003**, between **CLIFFORD A. OLIN, VALERIE E. OLIN, and PATRICIA J. HORTON**, solely in their capacities as constituting all the members of **HORTENSE'S CEDAR RESERVE, LLC**, a Washington Limited Liability Company, as "Grantor", whose address is c/o **CLIFFORD A. OLIN, 12201 S.E. 18th Place, Bellevue, WA. 98005**, **LAND TITLE INSURANCE COMPANY OF SKAGIT COUNTY**, a corporation, as "Trustee", whose address is 111 East George Hopper Road, Burlington, WA. 98233, and **JEFFREY S. COOK** of 12221 8th Ave. N.W., Seattle, WA. 98177, a single person, and **SUSAN C. DELZELL** of 6 Dinell Drive, Pittsburgh, PA. 15221, a single person as "Beneficiary". For clarification purposes, both **JEFFREY S. COOK** and **SUSAN C. DELZELL** constitute the "Beneficiary" of this Deed of Trust.

WITNESSETH: Grantor hereby bargains, sells, and conveys, to Trustee, in Trust, **with power of sale**, a one-quarter undivided interest in the following described real

property (hereinafter also simply referred to as "Property") in Skagit County, Washington:

PARCEL A:

The Northeast 1/4 of the Southwest 1/4 in Section 30, Township 33 North, Range 5 East, W.M.

TOGETHER WITH a non-exclusive easement for roadway 30 feet in width across the West 1/2 of the Southeast 1/4 of said Section 30 to connect with the County Road in the East part of said Section 30, as said easement was created by an instrument dated July 2, 1926, filed May 6, 1927, as Skagit County Auditor's File No. 233558 and recorded in Volume 153 of Deeds as Page 470; AND

PARCEL B:

Government Lot 4 in Section 30, Township 33 North, Range 5 East, W.M.

TOGETHER WITH an easement for right of way across Government Lot 5 in said Section 30, EXCEPT that portion of said Government Lot 5 lying within Block 9 of the "Plat Medina, Skagit County, Washington", as per plat thereof recorded in Volume 2 of Plats at Page 76 and the Westerly 1/2 of the vacated Jefferson Street abutting on said Block 9, as said easement was created by an instrument dated and filed March 20, 1940 as Auditor's File No. 323081 and recorded in Volume 180 of Deeds at Page 191; STIPULATED AS FOLLOWS: "Free unobstructed right of way on present roadway across said Lot 5 until such time as the completion of County Road with completed cut-off to premises and living quarters on Lot 4 is done"; AND

PARCEL C:

Government Lot 1 in Section 25, Township 33 North, Range 4 East, W.M.

All situate in the County of Skagit, State of Washington.

which real property is not used principally for agricultural or farming purposes, together with all tenements, hereditaments and appurtenances, now or hereafter thereunto belonging, or in any way appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of

DEED OF TRUST /
HORTENSE'S CEDAR RESERVE, LLC to COOK & DELZEL



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CLIFFORD A. OLIN and VALERIE E. OLIN (hereinafter also collectively referred to as "OLIN"), and/or the Grantor as the case may be, herein contained, and payment by OLIN of the sum of \$140,000.00 with interest, in accordance with the terms of a Promissory Note ("Note") of even date herewith payable to Beneficiary or order, and made by OLIN, and all renewals, modifications and extensions thereof.

A. To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. **Maintenance of Property.** To maintain the Property in a safe and orderly condition and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.
2. **Taxes & Encumbrances.** 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 the Deed of Trust.
3. **Actions / Legal fees / Expenses.** To defend any action or proceeding purporting to affect the security hereof or the rights or powers of the Beneficiary or Trustee, and to pay all costs and expenses, including the 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.
4. **Fees & Expenses Associated with Deed of Trust.** To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby, and Trustee's and attorney's fees actually incurred, as provided by statute.
5. **Grantor's failure to pay amounts due.** Should Grantor or OLIN, as the case may be, fail to pay, when due, any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Property, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

B. IT IS MUTUALLY AGREED BETWEEN GRANTOR AND BENEFICIARY THAT:

1. **Eminent Domain Proceeding.** In the event any portion of the property is taken or damaged in an eminent domain proceeding, twenty-five percent (25.00%) of the entire amount of the award, or such portion of the 25% portion as may be necessary to fully satisfy the

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obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. Nonwaiver of Beneficiary's Rights. By accepting payment of any sum secured hereby after its due date, 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.

3. Reconveyance by Trustee upon Satisfaction of Underlying Obligation. The Trustee shall reconvey all or any part of the Property covered by this Deed of Trust to the person or persons entitled thereto on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary to the person entitled thereto.

4. Default by Grantor. Upon default by OLIN and/or Grantor, as the case may be, in the payment of any indebtedness secured hereby, or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event, and upon written request of the Beneficiary, Trustee shall sell the Property in accordance with the Deed of Trust Act of the State of Washington at public auction to the highest bidder. Any person, except the Trustee on the Trustee's behalf, may bid at Trustee's sale. The Trustee shall apply the proceeds of the sale as follows: (1) to the expense of sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

5. Delivery of Deed after Sale to Purchaser. The Trustee shall deliver to the purchaser at the sale (or as soon thereafter as is reasonably possible) its Deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of Grantor's execution of this Deed of Trust, and such as Grantor may have acquired thereafter. The Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance, and conclusive evidence thereof in favor of bona fide purchasers and encumbrances for value.

6. Power of Sale Not Exclusive Remedy. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; the Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage or as otherwise permitted by Washington State Law.

7. Successor Trustee. In the event of the death, incapacity, disability or resignation of the Trustee, the Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee.

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The trustee is not obligated to notify any party hereof of pending sale under any other Deed of Trust or any action or proceeding in which Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

8. Due on Sale Provision. If the Grantor shall ever sell, or agree to sell, or transfer, or agree to transfer, or convey, or otherwise agree to dispose of its interest, or any portion thereof shall be conveyed, in all, or a portion of the Property, to one or more third parties who are not members in the Grantor LLC, then and upon the happening of any such event, the remaining balance due and owing, together with all accrued interest, on the promissory note secured by this Deed of Trust shall become due and owing at once. The terms of this section shall not apply if a Grantor's interest in the property passes as the result of the death of one of the members of the Grantor entity pursuant to Washington's intestacy laws or the terms of the deceased member's will.

9. Terms hereof binding on Successors. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the holder and owner of the note secured hereby, whether or not named as the Beneficiary herein.

We, the undersigned, agree to the terms hereof as of the date first appearing hereon.

GRANTOR:
HORTENSE'S CEDAR RESERVE, LLC

BENEFICIARY:

by: *Clifford A. Olin*
CLIFFORD A. OLIN, Member

Jeffrey S. Cook
JEFFREY S. COOK 9/24/03

by: *Valerie E. Olin*
VALERIE E. OLIN, Member

Susan C. Delzell
SUSAN C. DELZELL 10/3/03

by: *Patricia J. Horton*
PATRICIA J. HORTON, Member

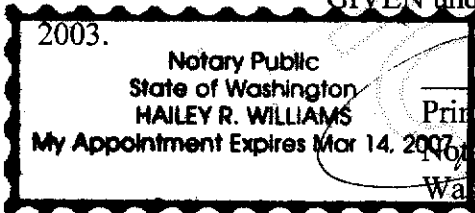
DEED OF TRUST /
HORTENSE'S CEDAR RESERVE, LLC to COOK & DELZE



STATE OF WASHINGTON)
) ss.
COUNTY OF Skagit)

On this day personally appeared before me **CLIFFORD A. OLIN, VALERIE E. OLIN,** and **PATRICIA J. HORTON,** to me known to be the individuals described in and who executed the within and foregoing instrument, and each stated they signed the same in their capacities as members of **HORTENSE'S CEDAR RESERVE, LLC,** a member managed LLC, and each acknowledged that the three of them collectively constitute all the members in the said LLC, and each signed the same as their free and voluntary act and deed on behalf of the LLC, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 21st day of September 2003



Hailey R. Williams
Print Name: Hailey R. Williams
Notary Public in and for the State of
Washington, residing at 1834005 Bellingham, WA
My Commission expires: 03/14/07

REQUEST FOR FULL RECONVEYANCE
(Do not record. To be used only when note has been paid.)

TO: TRUSTEE:

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied, and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to convey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated this _____ day of _____, _____.

BENEFICIARY(s):

client: Olin: DOT- Olin to Cook&Delzell 10-03.wpd

DEED OF TRUST /
HORTENSE'S CEDAR RESERVE, LLC to COOK & DELZELI



STATE OF WASHINGTON)
)ss
COUNTY OF JEFFERSON)

On this day personally appeared before me PATRICIA J. HORTON, to me known to be the individual described in and who executed the within and foregoing instrument, and stated she signed the same in her capacity as a member of HORTENSE'S CEDAR RESERVE, LLC, a member-managed LLC, and acknowledged that she is one of the members in the said LLC, and signed the same as her free and voluntary act and deed on behalf of the LLC, for the uses and purposes therein mentioned.

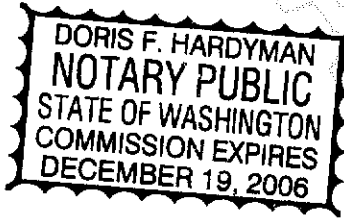
GIVEN under my hand and official seal this 16 day of September 2003.

Doris F. Hardyman

DORIS F. HARDYMAN

Notary Public in and for the State of Washington,
Residing at Port Townsend

My Commission expires: 12/19/06.



200310150018
Skagit County Auditor