



200404160124
Skagit County Auditor

4/16/2004 Page 1 of 5 12:29PM

Return Address

Rural Washington Loan Fund – Steve Saylor
Department of Community, Trade and Economic Development
128 10th Ave. SW
PO Box 42525
Olympia, WA 98504-2525

DEED OF TRUST

Indexing information required by the Washington State Auditor's/Recorder's Office. (RCW 36.18 and RCW 65.04) 1/97:
Reference # (If applicable): _____
Grantor(s) (Borrower): (1) Roger P. Wechsler
Grantee(s) (Beneficiary/Trustee): (1) City of Sedro Woolley
2) Stewart Title Abbreviated Legal Description: A PTN of SW ¼ of NW ¼ of NW ¼ of SW ¼, 34-36-3 E.W.M.
Add'l legal is on pg. 3-5 Assessor's Property tax Parcel/Account #: 360334-0-011-0002

THIS DEED OF TRUST, made this 13 day of April, 2004, between Roger P. Wechsler, as GRANTOR, whose address is 15153 Colony Road, Bow WA 98232 and Stewart Title Company, a corporation, TRUSTEE, whose address is 2200 Rimland Drive, Suite 110, Bellingham, WA 98226 and the City of Sedro Woolley, BENEFICIARY, whose address is 720 Murdock Street, Sedro Woolley, WA 98284.

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

See legal description attached hereto as Exhibit A.

TOGETHER WITH all appurtenances belonging thereto.

TOGETHER WITH and SUBJECT TO domestic and irrigation water rights and matter.

This Deed of Trust secures Roger P. Wechsler's personal guarantee of a loan in the amount of \$700,000 from the City of Sedro Woolley to Rootabaga Enterprises Inc. dba CF Fresh.

This deed is for the purpose of securing performance of each agreement of grantor herein contained and payment of the sum of Seven hundred thousand and 00/100 dollars (\$700,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and 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 shall be agreed upon.

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

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.
2. 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 this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear,

and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the right or powers of Beneficiary or Trustee, and to pay all costs and expenses, including 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.

5. 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.

6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, 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.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. 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. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person 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 or the person entitled thereto.

4. Upon default by Grantor 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 Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

5. Trustee shall deliver to the purchaser at the sale 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 his execution of this Deed of Trust, and such as he may have acquired thereafter. 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 purchaser and encumbrancers for value.

6. 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; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. In the event of the death, incapacity, disability, or resignation of Trustee, 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. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of 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. 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 and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

Witness the hand(s) of the Grantor(s) on the day and year first above written.

Roger P. Wechsler
Roger P. Wechsler

STATE OF WASHINGTON)
County of Skagit)

SS. (INDIVIDUAL ACKNOWLEDGEMENT)

I certify that I know or have satisfactory evidence that Roger P. Wechsler is the person who appeared before me, and said person acknowledges that he signed this instrument and acknowledges to be his free and voluntary act for the uses and purposes mentioned in the instrument.

Dated is 13th day of April, 2004 Catherine L. Timmerman

Print Name Catherine L. Timmerman

Notary Public in and for the State of WA
My appointment expires: 6-16-07

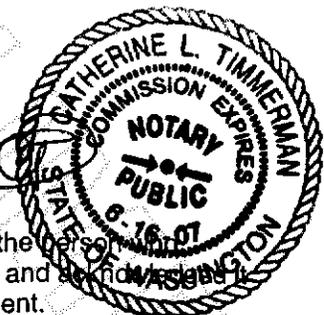


EXHIBIT A

PARCEL "A":

The Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 34, Township 36 North, Range 3 East, W.M., EXCEPT the North 33 feet thereof as conveyed to Skagit County for road purposes by deed dated April 16, 1896 and recorded April 23, 1896, in Volume 32 of Deeds, page 816, AND ALSO EXCEPT that portion lying within that certain 60 foot wide State Highway known as Pacific Highway as conveyed to the State of Washington by Deed dated March 10, 1919 and recorded July 16, 1919, in Volume 114 of Deeds, page 319, AND ALSO EXCEPT Drainage District No. 18 ditch right of way as condemned in Skagit County Superior Court Cause No. 5958, AND ALSO EXCEPT that portion of said premises lying within the boundaries of the following described tracts:

- 1.) Beginning at a point on the East line of the Pacific Highway 202.44 feet Northerly of the point of intersection of said East line with the Northerly line of the County road known as Road XCVI (said point being 78 feet South and 41.3 feet East of the Northwest corner of the Southwest $\frac{1}{4}$);
thence East at right angles to the West line of said Section, 198.7 feet;
thence North parallel with said West line 100 feet;
thence West to the East line of the right of way of the Pacific Highway;
thence Southerly along said East line to the point of beginning.

- 2.) Beginning at a point on the East line of the Pacific Highway, 202.44 feet Northerly of the point of intersection of said East line with the Northerly line of the county road known as Road XCVI (said point being 78 feet South and 41.3 feet East of the Northwest corner of the Southwest $\frac{1}{4}$ of said Section 34);
thence East at right angles to the West line of said Section, 198.7 feet;
thence North parallel with said West line, 100 feet to the true point of beginning of this description;
thence South parallel with said West line to a point 244.8 feet South of the North line of the Southwest $\frac{1}{4}$ of said Section 34;
thence due East, 150 feet;
thence running due South, 129 feet, more or less, to the North line of the County road;
thence Southeasterly along said road to a point intersecting a line drawn parallel to and 8 feet East of the last described line (as measured at right angles thereto);
thence North parallel with the West line of said Section 34 to a point East of the true point of beginning;
thence West to the true point of beginning.

Situate in the County of Skagit, State of Washington.



200404160124

Skagit County Auditor

4/16/2004 Page

3 of

5 12:29PM

PARCEL "B"

That portion of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 34, Township 36 North, Range 3 East, W.M., described as follows:

Beginning at a point 5 chains and 15 links (339.9 feet) North of the center of the Southwest $\frac{1}{4}$ of said Section;

thence due West to Bow Hill Road;

thence following along the said road in its course in a Northerly and Westerly direction to the East line of Pacific Highway;

thence North to the North line of said subdivision;

thence East to the Northeast corner of said subdivision;

thence South to the point of beginning, EXCEPT Drainage District No. 18 ditch right of way as condemned in Skagit County Superior Court Cause No. 5958,

AND EXCEPT the following described tracts:

1.) Beginning at the intersection of the East right of way line of Pacific Highway with the North marginal line of Bow Hill County Road; thence North along the said line of Pacific Highway 302.44 feet; thence East at right angles 198.7 feet; thence South at right angles to the North line of said Bow Hill Road (also known as Warren Road); thence following said North line of Bow Hill Road to the point of beginning.

2.) Beginning at the $\frac{1}{4}$ section corner on the West line of said Section 34; running thence North $89^{\circ} 55'$ East along the quarter section line of said Section 34, a distance of 240 feet; thence due South 244.8 feet to the true point of beginning; thence running due East 150 feet; thence running due South 129 feet to the North line of the County road; thence Westerly along the North line of the County road 161.2 feet, more or less, to a point due South of the true point of beginning; thence North 70.8 feet to the true point of beginning.

3.) Beginning at a point on the East line of the Pacific Highway 202.44 feet Northerly of the point of intersection of said East line with the Northerly line of the County road know as Road XCVI (said point being 78 feet South and 41.3 feet East of the Northwest corner of the Southwest $\frac{1}{4}$ of said Section 34); thence East at right angles to the West line of said Section, 198.7 feet; thence North parallel with said West line, 100 feet to the true point of beginning of this description; thence South parallel with said West line to a point 244.8 feet South of the North line of the Southwest $\frac{1}{4}$ of said Section 34; thence due East, 150 feet; thence running due south, 129 feet, more or less, to the north line of the County road;



200404160124

Skagit County Auditor

thence Southeasterly along said road to a point intersecting a line drawn parallel to and 8 feet East of the last described line (as measured at right angles thereto); thence North parallel with the West line of said Section 34 to a point East of the true point of the beginning;
thence west to the true point of beginning.

Situate in the County of Skagit, State of Washington.



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