


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 rights 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.



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 evidence of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated _____, 19_____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee for cancellation before reconveyance will be made.

LPB-22 (11/96)



200411170105
Skagit County Auditor

11/17/2004 Page 2 of 2 5 1:23PM

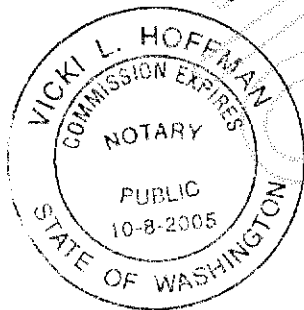
STATE OF WASHINGTON }
County of SKAGIT }

ACKNOWLEDGMENT - Individual

On this day personally appeared before me JENNIFER W. WINGETT to me known

to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that SHE signed the same as HEIR free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 15TH day of NOV., 2004.



Vicki L Hoffman
Notary Public in and for the State of Washington
Residing at ANACORTES

My appointment expires 10/8/05

STATE OF WASHINGTON }
County of }

ACKNOWLEDGMENT - Individual

On this day personally appeared before me _____ to me known

to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that _____ signed the same as _____ free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____ day of _____, 20 _____.

Notary Public in and for the State of Washington
Residing at _____

My appointment expires _____



200411170105
Skagit County Auditor

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

Parcel "A":

That portion of the South 15-1/2 acres of Government Lot 2 in Section 21, Township 35 North, Range 1 East, W.M., described as follows:

Beginning at the Northwest corner of the Southwest ¼ of the Southeast ¼ of said Section, which point bears North 0 degrees 46'00" East a distance of 1,339.81 feet from the South ¼ corner of said Section; thence South 89 degrees 41'05" West along the South line of said Government Lot 2 a distance of 3.55 feet to a point on the West line of the Plat of "WOODS ADDITION TO ANACORTES, WASHINGTON" as per plat recorded in Volume 4 of Plats, page 35, records of Skagit County, Washington, and which point bears South 0 degrees 36'55" West a distance of 13.75 feet from the Northwest corner of said plat and which point is the true point of beginning of this description; thence continuing South 89 degrees 41'05" West along the South line of said Government Lot 2, a distance of 98.13 feet to a point on the line of mean high tide as shown on "Plate 5, Tide and Shore Lands of Section 21, Township 35 North, Range 1 East, W.M., Anacortes, Harbor" according to the Official Map thereof on file in the Office of the Board of State Land Commissioners at Olympia, Washington; thence North 35 degrees 14'00" West along said line of mean high tide, a distance of 111.46 feet; thence North 29 degrees 59'00" East along said line of mean high tide a distance of 9.96 feet; thence North 89 degrees 41'05" East parallel with the South line of said Government Lot 2, a distance of 216.19 feet; thence South 18 degrees 16'55" West a distance of 91.14 feet; thence South 89 degrees 56'55" West a distance of 30.00 feet to the Northwest corner of "WOODS ADDITION TO ANACORTES, WASHINGTON", as per plat recorded in Volume 4 of Plats, page 35, records of Skagit County, Washington; thence South 0 degrees 36'55" West a distance of 13.75 feet to the true point of beginning of this description.

Parcel "B":

That portion of Government Lot 2 and Government Lot 3 of Section 21, Township 35 North, Range 1 East, W.M., described as follows:

Beginning at the Southwest corner of said Government Lot 2 which point bears North 0 degrees 45'59" East a distance of 1,339.98 feet (North 0 degrees 46'00" East a distance of 1,339.81 feet by deed) from the South ¼ corner of said Section 21; thence South 89 degrees 40'16" West (South 89 degrees 41'05" West by deed) along the projected South line of said Government Lot 2 a distance of 3.55 feet to a point on the West line of "WOODS ADDITION TO ANACORTES, WASHINGTON", as per plat recorded in Volume 4 of Plats, page 35, records of Skagit County, Washington; thence North 0 degrees 36'55" East along the West line of said plat, a distance of 13.75 feet to the Northwest corner thereof; thence North 89 degrees 56'55" East a distance of 30.00 feet; thence North 18 degrees 16'55" East a distance of 91.17 feet (91.14 feet by deed); thence South 89 degrees 40'16" West (South 89 degrees 41'05" West by deed) parallel with the South line of said Government Lot 2 a distance of 31.66 feet to the true point of beginning; thence continuing South 89

Page 1 of 3

LPB-22



200411170105
Skagit County Auditor

11/17/2004 Page 4 of 5 1:23PM

degrees 40'16" West a distance of 159.35 feet; thence North 33 degrees 59'14" East a distance of 45.85 feet; thence South 72 degrees 59'14" East a distance of 90.43 feet; thence South 1 degree 00'37" West a distance of 10.94 feet; thence North 89 degrees 40'16" East a distance of 10.38 feet; thence North 46 degrees 58'38" East a distance of 36.34 feet; thence South 23 degrees 08'27" East a distance of 26.71 feet to the true point of beginning.

Parcel "C":

That portion of Tract 3, Plate No. 5 of Anacortes tide lands in Section 21, Township 35 North, Range 1 East, W.M. according to the Official Map thereof on file in the Office of the Commissioner of Public Lands, Olympia, Washington, described as follows:

Beginning at the point of intersection of the South line of Government Lot 2 of said Section, with the line of mean high tide, as shown on said Plate 5, which point bears South 89 degrees 41'05" West a distance of 101.68 feet from the Northwest corner of the Southwest ¼ of the Southeast ¼ of said Section; thence South 89 degrees 41'05" West along the South line of said Government Lot 2 extended Westerly a distance of 125.02 feet to a point on the Inner Harbor Line, as shown on said Plate 5; thence North 21 degrees 20'30" East along said Inner Harbor line, a distance of 107.60 feet; thence North 89 degrees 41'05" East parallel with the South line of said Government Lot 2 a distance of 26.53 feet to a point on said line of mean high tide; thence South 29 degrees 59'00" West along said line of mean high tide, a distance of 9.96 feet; thence South 35 degrees 14'00" East along said line of mean high tide a distance of 111.46 feet to the true point of beginning.

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

Oak Harbor properties in Island County

Witnesseth: Grantor hereby bargains, sells, and conveys to Trustee in trust, with power of sale, the following described real property in Island County, Washington.

Parcel D: The South 142 feet of the North 920 feet of Government Lot 2, lying East of West Beach Road, in Section 6, Township 32 North, Range 1 East of the Willamette Meridian.

Parcel C: The South 259 feet of the North 519 feet of Government Lot 2, lying West of West Beach Road, in Section 6, Township 32 North, Range 1 East of the Willamette Meridian.



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Skagit County Auditor