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WHEN RECORDED RETURN TO:

JACK O. SWANSON
BELCHER, SWANSON, LACKEY, DORAN,
LEWIS & ROBERTSON, P.L.L.C.
900 DUPONT STREET
BELLINGHAM, WA 98225



200412210138
Skagit County Auditor

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114580-7E

LAND TITLE OF SKAGIT COUNTY

Document Title:

Deed of Trust

Grantor/borrower:

1) WAYNE BRISBANE 2) MARILYN BRISBANE
3) GENOS INVESTMENT LLC

Grantee/assignee/beneficiary:

1) STEPHEN W. BRISBANE 2) LAURA T. BRISBANE

Legal Description:

Ptn. NE ¼ of the NE ¼, Sec. 24, Twp. 34, R.3E, W.M.

Assessor's Tax Parcel ID#: P22532

DEED OF TRUST

THIS DEED OF TRUST, made this 17 day of December, 2004, between WAYNE BRISBANE and MARILYN BRISBANE, husband and wife, GENOS INVESTMENT LLC, a Washington limited liability company, GRANTOR, whose address is 2730 French Road N.W., Olympia, Washington, 98502, LAND TITLE COMPANY, TRUSTEE, whose address is P.O. Box 445, Burlington, Washington 98233, and STEPHEN W. BRISBANE and LAURA T. BRISBANE, BENEFICIARY, whose address is P.O. Box 873, Lynden, Washington, 98264.

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

SEE ATTACHED EXHIBIT "A"

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 rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of grantor herein contained, and payment of the sum of **FIVE HUNDRED NINETY-FIVE THOUSAND and 00/100 Dollars (\$595,000.00) 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 as such rate as shall be agreed upon.

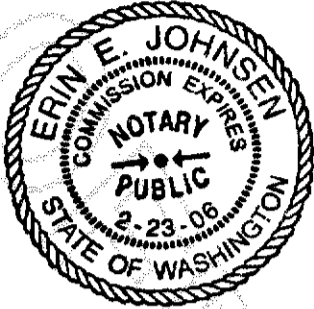
To protect the security of this Deed of Trust, Grantor covenants and agrees:

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. Any default on the first lien deed of trust constitutes a default on 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 of 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 the 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:

known to be the Manager of GENOS INVESTMENT LLC, a Washington limited liability company, the company that executed the within and foregoing instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that STEPHEN W. BRISBANE was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.



Erin E. Johnson
Notary Public in and for the State of
Washington, residing at Bellingham
My Commission Expires 02/23/06.

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 reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated _____, 20__.

Mail reconveyance to:



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EXHIBIT "A"

That portion of the Northeast ¼ of the Northeast ¼ of Section 24, Township 34 North, Range 3 East, W.M., described as follows:

PARCEL "T":

That portion of Parcel "R", described below, lying Southerly of the line drawn between Points A and B below, and Easterly of the line drawn between Points B and C, below, and Northeasterly of the line drawn between Points C and D, said points being shown on that survey recorded May 26, 1999, in Volume 21 of Surveys, pages 204 and 205, under Auditor's File No. 9905260005, records of Skagit County, Washington;

Beginning at the Northeast corner of Tract 3 of Skagit County Short Plat No. 68-79, approved August 9, 1979, and recorded August 17, 1979, in Volume 3 of Short Plats, page 166, under Auditor's File No. 7908170009, records of Skagit County, Washington;

thence along the Southwesterly right-of-way line of the Memorial Highway, South 52°03'10" East a distance of 230.01 feet to Point A;

thence South 35°10'46" West to a point on a line running parallel with and 60 feet East of the East line of the hereinabove mentioned Bernik property, said point hereinafter labeled Point B;

thence South on said parallel line to a point on a line parallel with and 275 feet Southwesterly of the Southwesterly line of Memorial Highway, said point hereinafter known as Point C;

thence Southeasterly along said parallel line to the East line of Parcel R, said point hereinafter known as Point D;

PARCEL "R":

That portion of the Northeast ¼ of the Northeast ¼ of Section 24, Township 34 North, Range 3 East, W.M., lying Southerly of the State Highway commonly known as Memorial Highway, and lying Easterly of that certain tract of land conveyed to Frank Bernik and Evelyn Bernik, husband and wife, by deed recorded May 9, 1939, in Volume 177 of Deeds, page 12, under Auditor's File No. 312883, records of Skagit County, Washington, and lying Westerly of the following described line:

Beginning at the Southwest corner of that certain tract of land conveyed to Smiley's Inc., a Washington corporation, by deed recorded March 30, 1976, under Auditor's File No. 832505, records of Skagit County, Washington;

thence North along the West line of said Smiley Tract to the Northwest corner thereof, which point is also the Southwest corner of Parcel B of those two tracts labeled Parcels A and B, conveyed to Willard Hammer and Bernice Evelyn Hammer, husband and wife, by deed recorded April 22, 1975, under Auditor's File No. 816409, records of Skagit County, Washington;

thence North and Northwesterly along the West lines of said Hammer Parcels B and A to the most Westerly corner of said Parcel A;

thence Northeasterly along the Northwesterly line of said Parcel A to the Southwesterly line of Memorial Highway, which is the terminal point of this line.

Situate in the County of Skagit, State of Washington.



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