



200504120157

Skagit County Auditor

4/12/2005 Page 1 of 6 2:39PM

**WHEN RECORDED RETURN TO:**

Christopher and Kimberly Moore  
17212 Newberg Road  
Snohomish, WA 98290

Abbrev. Leg.- Lot 2 of Skagit County Short Plat No. PL-00-0272  
Tax Account No. 350519-0-162-0300

**SECOND DEED OF TRUST**

This DEED OF TRUST, hereinafter referred to as Security Instrument, is made this 7<sup>th</sup> day of April, 2005.

The GRANTOR, hereinafter referred to as Borrower, is Christopher and Kimberly Moore, husband and wife, whose address is 17212 Newberg Road – Snohomish, WA 98290.

The TRUSTEE, hereinafter referred to as Trustee, qualified to be trustee under RCWA 61.24.010 is FIRST AMERICAN TITLE INSURANCE COMPANY, whose address is 1301B Riverside Drive, Mount Vernon, WA 98273

The BENEFICIARY, hereinafter referred to as Lender, is Charles E. Hyatt, and whose address is 3530 Tarpon Drive, Lake Havasu City, AZ 86406.

Borrower owes Lender the principal sum of thirty-five thousand Dollars (US 35,000\$). This debt is evidenced by Borrower's PROMISSORY NOTE dated March 28<sup>th</sup>, 2005, hereinafter referred to as Note, which provides for no monthly installments, with the full debt, if not paid earlier, due and payable on March 28<sup>th</sup>, 2010.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions, and modifications; (b) the payment of all other sums, with interest, advanced under Section Seven hereof to protect the security of this Security Instrument; and (c) the performance of Borrower's Covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust with Power of sale, the following described real property located in Skagit County, Washington:

Lot 2 of Skagit County Short Plat No. PL-00-0272, approved March 14, 2002, recorded May 17, 2002, under Auditor's file NO.200205170145, being a portion of the Southeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  of Section 19, Township 35, Range 5 East, W.M. and the Redman Mobile Home, Vin. No. i1825708A located thereon, which has the address of 24347 Wicker Road Sedro-Woolley, WA 98284,

and is hereinafter referred to as Property Address, which real property is not used principally for agricultural or farming purposes, together with all the rights, appurtenances, rents, royalties, minerals, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property".

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

*Borrower and Lender covenant and agree as follows:*

**SECTION 1: PAYMENT OF PRINCIPAL AND INTEREST; PREPAYMENT AND LATE CHARGES**

Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

**SECTION 2: APPLICATION OF PAYMENTS**

Unless applicable law provides otherwise, all payments received by Lender under Sections One shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to interest due; and last, to principal due.

**SECTION 3: CHARGES; LIENS**

Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property that may attain priority over this Security Instrument (see Sect. 22), and leasehold payments or ground rents, if any. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

**SECTION 4: HAZARD INSURANCE**

Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be withheld unreasonably.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower.

If Borrower abandons the Property, or does not answer within thirty (30) days, a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The thirty-day (30) period will begin when the notice is given.

If under Section Nineteen hereof the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

**SECTION 5: PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS**

Borrower shall not destroy, damage or substantially change the Property, allow the Property to deteriorate or commit waste.



200504120157

Skagit County Auditor

**SECTION 6: PROTECTION OF LENDER'S RIGHTS IN THE PROPERTY; MORTGAGE INSURANCE**

If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation, or to enforce laws or regulations), then Lender may do so and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien that has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Although Lender may take action under this paragraph, Lender does not have to do so. Any amounts disbursed by Lender under this Section Seven shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

**SECTION 7: INSPECTION**

Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

**SECTION 8: CONDEMNATION**

The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in Sections One and Two hereof or change the amount of such payments.

**SECTION 9: BORROWER NOT RELEASED; FORBEARANCE BY LENDER NOT A WAIVER**

Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

**SECTION 10: SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CO-SIGNERS**

The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Section Seventeen hereof. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear, or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.



200504120157

Skagit County Auditor

#### **SECTION 11: LOAN CHARGES**

If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then; (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower that exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

#### **SECTION 12: LEGISLATION AFFECTING LENDER'S RIGHTS**

If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by Section Nineteen hereof. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of Section Seventeen hereof.

#### **SECTION 13: NOTICES**

Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail. Any notice to Lender shall be given by delivering it or by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower.

#### **SECTION 14: GOVERNING LAW; SEVERABILITY**

This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

#### **SECTION 15: BORROWER'S COPY**

Borrower shall be given one confirmed copy of the Note and of this Security Instrument.

#### **SECTION 16: TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

#### **SECTION 17: BORROWER'S RIGHT TO REINSTATE**

If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of; (a) (5) days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower; (a) pays Lender all sums that then would be due under this Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security



200504120157  
Skagit County Auditor

Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Sections Thirteen or Seventeen hereof.

#### **SECTION 18: ACCELERATION; REMEDIES**

Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Sections Thirteen and Seventeen hereof unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than thirty (30) days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property at public auction at a date not less than (120) days in the future. The notice shall further inform Borrower of the right to reinstate after acceleration, the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale, and any other matters required to be included in the notice by applicable law. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee and Lender shall take such action regarding notice of sale and shall give such notices to Borrower and to other persons as applicable law may require. After the time required by applicable law and after publication of the notice of sale, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of the Property for a period or periods permitted by applicable law by public announcement at the time and place fixed in the notice of sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it or to the clerk of the superior court of the county in which the sale took place.

#### **SECTION 19: LENDER IN POSSESSION**

Upon acceleration under Section Nineteen hereof, or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds, and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

#### **SECTION 20: RECONVEYANCE**

Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

#### **SECTION 21: SUBSTITUTE TRUSTEE**

In accordance with applicable law, Lender may from time to time appoint a successor trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor Trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.



200504120157

Skagit County Auditor

**SECTION 22: ADDITIONAL PROVISIONS; PRIORITY**

1. This Security Instrument is subject and subordinate to the Deed of Trust in favor of Countrywide Home Loans P.O. Box 10219 Van Nuys, CA 91410-0219 Loan # 028432191 hereinafter referred to as Underlying Deed of Trust and Underlying Note, to secure payment of Underlying Note in an original amount of one hundred twenty thousand dollars (US 120,000\$) Tax account number 350519-0-162-0300 and parcel No. P119158.
2. Borrower agrees to comply with all of the terms and conditions of the Underlying Deed of Trust and Underlying Note, other than with respect to payment of principal and interest due under the Underlying Note, and shall immediately comply with any notice sent to it by the holder of the Underlying Note without regard to any grace period if any, and Borrower's to do so shall constitute a default under this Deed of Trust.
3. Borrower and Beneficiary agree to send promptly to the other copies of any of default received by them from the holder of the Underlying Note and Underlying Deed of Trust.
4. Borrower will furnish to Beneficiary, upon demand, proof of payment of all items (including, without limitation, real estate taxes and insurance premiums) which are required to be paid by Borrower pursuant to the Underlying Deed of Trust and any other proof of payment which is required to be given under the Underlying Deed of Trust.
5. Borrower will execute and deliver, upon request, to the Beneficiary, such Lents deemed useful or necessary to permit Beneficiary to cure any under the Underlying Note and Underlying Deed of Trust or to preserve the interest of the Beneficiary thereunder.
6. Borrower Covenants and agrees that this Security Instrument shall be to include, without repetition herein, all of the terms provisions conditions of the Underlying Deed of Trust. In the event of a conflict between this Security Instrument and the Underlying Deed of Trust this Security Instrument shall control.

By signing below, Borrowers accept and agree to the terms and covenants contained within this Security Instrument.

Name of Borrowers: CHRISTOPHER MOORE KIMBERLY MOORE

Signature of Borrowers:

Ch Moore Kimberly Moore

STATE OF WASHINGTON )  
COUNTY OF SKAGIT )

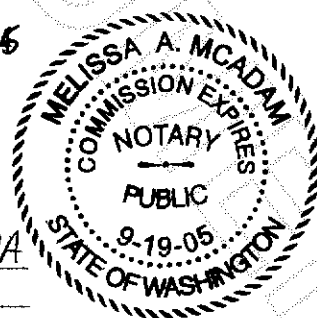
ss.

On this day personally appeared before me Christopher and Kimberly Moore to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he/she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 8<sup>th</sup> day of April, 2005

Melissa A. McAdam  
Notary Public in and for the State of Washington,  
MELISSA A. McAdam

Residing at 41977 Cedar St. Sedro Woolley WA  
My commission expires 9/19/2005



200504120157  
Skagit County Auditor