



200505060176

Skagit County Auditor

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RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Daniel P. Pepple
Pepple Johnson Cantu & Schmidt, PLLC
1900 Seattle Tower Building
1218 Third Avenue
Seattle, WA 98101

CHICAGO TITLE CO. 1C34262 ✓

[SPACE ABOVE THE LINE IS FOR RECORDER'S USE]

DEED OF TRUST

GRANTOR: ALIOTTI, Thomas, an unmarried man
ALIOTTI, Nick and Merrily, husband and wife

GRANTEE: WHEELER, Mark
JOHNSON, Cynthia

LEGAL Gov. Lots 4 & 5, S ½, SE ¼, 28-36-3; GL 1, NE NW,
DESCRIPTION Ptn. GL 2, Ptn. SW NE, 33-36-3

ASSESSOR'S PROPERTY TAX PARCEL ACCOUNT NUMBERS:

360328-0-005-0008, 360328-0-006-0007, 360328-0-007-0006,
360328-4-002-0003, 360328-4-004-0001, 360333-0-001-0005,
360333-2-001-0001, 360333-2-002-0000, and 360333-0-003-0003

THIS DEED OF TRUST dated ^{MAY} April 5, 2005, is made by THOMAS ALIOTTI, an unmarried man, and NICK ALIOTTI and MERRILY ALIOTTI, husband and wife, as GRANTOR, whose address is 207 Friday Creek Road, Bellingham, Washington 98229, and LAND TITLE COMPANY OF SKAGIT COUNTY, as TRUSTEE, whose address is 111 East George Hopper Road, Burlington, Washington 98233 and MARK WHEELER and CYNTHIA JOHNSON, husband and wife, as BENEFICIARY, whose address is 4851 NE 39th Street, Seattle, Washington 98105.

Grantor hereby bargains, sells, and conveys to Trustee in trust, with power of sale, the real property in Skagit County, Washington, described on the attached Exhibit A which is incorporated here by this reference, 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 anywise appertaining, and the 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 ONE HUNDRED TWENTY-FIVE THOUSAND and no/100 DOLLARS (\$125,000.00) 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 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.
7. 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.
8. 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.
9. 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.
10. Neither the property nor any part thereof or interest therein shall be encumbered, sold (by contract or otherwise), conveyed, leased, or otherwise transferred by Grantor. Any such action without Beneficiary's prior written consent shall be deemed to increase the risk of Beneficiary, and shall constitute a default if not corrected within five (5) days after Beneficiary's delivery of written demand to Grantor.
11. 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: (a) to the expense of the sale, including a reasonable Trustee's fee and attorney fees; (b) to the obligation secured by this Deed of Trust; and (c) the surplus, if any, shall be distributed to the persons entitled thereto.
12. In the event suit or action is instituted to interpret or enforce the terms of this Deed of Trust, or in connection with any arbitration or mediation of any dispute hereunder, Beneficiary shall be entitled to recover the fees of its attorneys and costs




incurred, including such fees as are incurred in any trial, on any appeal, in any bankruptcy proceeding (including the adjudication of issues peculiar to bankruptcy law) and in any petition for review. Such fees and costs shall bear interest at the default rate as provided in the note secured by this Deed of Trust.

13. 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 encumbrances for value.
14. 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.
15. 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.
16. 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.

DATED as first above written.


THOMAS ALIOTTI


NICK ALIOTTI


MERRILY ALIOTTI
*Aliotti her attorney
in fact*

DEED OF TRUST 041205.DOC

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Skagit County Auditor

STATE OF WASHINGTON

County of King SKAGIT MKP

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} SS.
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I certify that I know or have satisfactory evidence that THOMAS ALIOTTI is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this instrument.

DATED: May 5 2005

Marie K Palech

Notary Public in and for the State of
Washington residing at Moentkunn

Name (printed):

My appointment expires: October 15 2008

STATE OF WASHINGTON

County of King SKAGIT MKP

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} SS.
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I certify that I know or have satisfactory evidence that NICK ALIOTTI is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this instrument.

DATED: May 5 2005

Marie K Palech

Notary Public in and for the State of
Washington residing at Moentkunn

Name (printed):

My appointment expires: October 15 2008



STATE OF WASHINGTON

County of King

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} SS.
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I certify that I know or have satisfactory evidence that MERRILY ALIOTTI is the person who appeared before me, and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in this instrument.

DATED: _____

Notary Public in and for the State of
Washington residing at _____
Name (printed): _____
My appointment expires: _____

see attached



200505060176

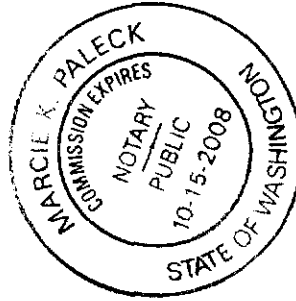
Skagit County Auditor

STATE OF WASHINGTON
COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that NICK ALIOTTI, who executed the within instrument as Attorney in Fact for MERRILY ALIOTTI and acknowledged to me that he signed and sealed the same as his free and voluntary act and deed as attorney in fact for MERRILY ALIOTTI for the uses and purposes therein mentioned, and on oath stated that the power of attorney authorizing the execution of this instrument has not been revoked and that the said MERRILY ALIOTTI is now living, and is not incompetent.

Dated: May 5 2005

Marcie K. Paleck
Marcie K. Paleck
Notary Public in and for the State of Washington
Residing at Mount Vernon
My appointment expires: October 15, 2008



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Skagit County Auditor

REQUEST FOR FULL RECONVEYANCE

To be used only when all obligations have been paid under the note and this Deed of Trust.

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: _____



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**EXHIBIT A
TO
DEED OF TRUST**

PARCEL A:

Government Lots 4 and 5 and all of the South $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 28,
Township 36 North, Range 3 East, W.M.,

EXCEPT Chuckanut Drive,

AND EXCEPT ditch rights of way along the South line of the Southeast $\frac{1}{4}$ and
along the North line thereof.

Situate in the County of Skagit, State of Washington.

PARCEL B:

Government Lot 1 and the Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 33,
Township 36 North, Range 3 East, W.M.,

EXCEPT ditch rights of way,

ALSO that portion of Government Lot 2 and of the Southwest $\frac{1}{4}$ of the Northwest
 $\frac{1}{4}$ of Section 33, Township 36 North, Range 3 East, W.M., described as follows:

Beginning on the North line of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ 188.2 feet East
of the Northwest corner;

thence South $54^{\circ}05'$ West 167 feet to a point 53 feet East of the West line of said
Section 33;

thence South 1,145.3 feet;

thence South $87^{\circ}03'$ East 195.9 feet;

thence South $0^{\circ}34'$ East 220 feet, more or less, to the North Samish River;

thence Westerly along the Samish River to the Southeast corner of a tract in Lot 2,
deeded to Margaret A. Druand, dated May 18, 1912 and recorded in Volume 89 of
Deeds, page 193;

thence North along the East line 2.94 chains;

thence West to a point 33 feet East of the West line of Section 33;

thence North to base of Dike District No. 4;

thence Northeasterly along base of Dike to the North line of said Southwest $\frac{1}{4}$ of
the Northwest $\frac{1}{4}$;

thence East 69 feet to the point of beginning,



UNRECORDED
EXCEPT that portion of said premises, if any, lying within the dike right of way, and within road rights of way, public or private, other than that conveyed to Henri J. Roehl, et al, by deeds recorded in Volume 187 of Deeds, pages 88 and 90.

ALSO EXCEPT that portion conveyed to Robert N. Dowen et ux by deed recorded April 30, 2002 under Auditor's File No. 200204030055, and;

ALSO EXCEPT that portion conveyed to Henry Timmers by deed recorded April 3, 2002 under Auditor's File No. 200204030057.

TOGETHER WITH an easement for ingress and egress over a portion of Government Lot 2, Section 33, Township 36 North, Range 3 East, W.M., records of Skagit County, Washington described as follows:

A 12.00-foot wide parcel of land lying 6.00 feet on each side of the following described line:

Commencing at the West $\frac{1}{4}$ corner of said Section 33;

thence along the North line of said Government Lot 2, North $89^{\circ}36'36''$ East a distance of 33.43 feet to the point of beginning;

thence along a curve to the left, having a radius of 73.18 feet through a central angle of $68^{\circ}45'19''$ an arc length of 87.82 feet and a radius point which bears North $75^{\circ}31'22''$ East from the last described point;

thence South $83^{\circ}13'58''$ East a distance of 106.10 feet to a curve to the right, having a radius of 37.50 feet through a central angle of $82^{\circ}39'59''$ an arc length of 54.11 feet and a tangent which bears the last course;

thence South $00^{\circ}33'59''$ East a distance of 162 feet, more or less, to the North bank of the Samish River and the point of ending.

The sidelines of the above described description to be shortened or lengthened to terminate at the said North line of Government Lot 2, and the said North bank of the Samish River.

Situate in the County of Skagit, State of Washington.

