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Filed for Record at Request of: MARTIN LIND 127 E. Fairhaven Burlington, WA 98233

LAND THEE CASSING TRANSPORT

DEED OF TRUST

116550-S

Grantor:

ROBERT L. HAYTON, SUSAN HUGHES HAYTON, HAYTON FARMS, INC., HAYTON'S CROP FARM, INC. AND HAYTON'S BERRY FARM, INC.

Beneficiary:

SKAGIT FARMERS SUPPLY

Abbreviated Legal:

Additional legal(s) on page: 6-7 29/34/4

Assessor's Tax Parcel Number (s): P28262 & P28272

THIS DEED OF TRUST, made this 20th day of between ROBERT L. HAYTON and SUSAN HUGHES HAYTON, husband and wife, personally, HAYTON FARMS, INC., HAYTON'S CROP FARM, INC. AND HAYTON'S BERRY FARM, INC., all corporations of the State of Washington, GRANTOR, whose address is 15356 PRODUCE LN, Mount Vernon, WA 98273, LAND TITLE COMPANY OF SKAGIT COUNTY, WASHINGTON, TRUSTEE, whose address is PO Box 445, Burlington, WA 98233, Washington, and, SKAGIT FARMERS SUPPLY, BENEFICIARY, whose address is PO Box 266, Burlington, WA, 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 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 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 Seven Hundred Fourteen Thousand Three Hundred Thirty-eight and 83/100 Dollars (\$714,338.83) 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.

- 72: 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

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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, holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

administrators, executors and assigns. The term Beneficiary shall mean the DATED this 20 day of HAYTON FARMS, INC. HAYTON CROP FARM, INC. Its: HAYTON BERRY FARM, HAYTON, Personal SUSAN HUGHES MAYTON, Freenally Who signs and obligates herself only to the extent of her community STATE OF WASHINGTON interest in the above-described real estate. COUNTY OF SKAGIT On this 10th day of 1 , 2005, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ROBERT HAYTON to me known to be the HAYTON FARMS, INC., the corporation that executed the foregoing instrument, and acknowledged the said 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 ke is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above writtenulling "Bug YAK Printed Name: Down's Low **¥** Wash residing at MAR Mγι 21 2009 Skagit County Auditor 7/27/2005 Page 7 3:29PM

STATE OF WASHINGTON

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COUNTY OF SKAGIT

On this 25 day of June , 2005, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ROBERT R. HAYTON to me known to be the HAYTON CROP FARM, INC., the corporation that executed the foregoing instrument, and acknowledged the said 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 we is authorized to execute the said instrument.and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

> inted Name: Notary Public in and for the State of Washington, residing at My commission expires:

STATE OF WASHINGTON

SS.

COUNTY OF SKAGIT

On this 20th day of June, 2005, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ROBERT R. HAYTON to me known to be the Pes le + of HAYTON BERRY FARM, INC., the corporation that executed the foregoing instrument, and acknowledged the said 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 weiz authorized to execute the said instrument, and that the seal affixed is the corporate seal of said corporation.

Witness my hand and offigial seal hereto affixed the day and above written.

> Printed Name: Deun. Notary Public in and for the State of

> Washington, residing at Mt-Vc/win

My commission expires:

2-2-1-2009

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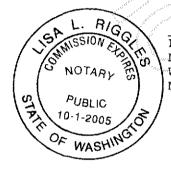
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STATE OF WASHINGTON)
) ss
COUNTY OF SKAGIT)

On this day personally appeared before me ROBERT R. HAYTON and SUSAN HUGHES HAYTON, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this AD day of July, 2005.



Printed Name: _______. Printed Name: _______. Printed Name: ______. Printed Name: _____. Printed Name: _____

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: _____

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EXHIBIT "A"

PARCEL "A"

The North 100.00 feet of the East 60.00 feet of the following described tract:

That portion of the Northwest ¼ of the Northwest ¼ of Section 29, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the North line of said Section, which is 187.45 feet East of the Northwest corner thereof;

thence South parallel with the West line of said Section, 396 feet;

thence East parallel with the North line of said Section, 142.55 feet;

thence North parallel with the West line of said Section to the North line thereof;

thence West along said North line to the point of beginning,

EXCEPT the North 30 feet thereof known as Section Street conveyed to the City of Mount Vernon by instrument recorded April 16, 1908, under Auditor's File No. 67235, records of Skagit County, Washington,

AND EXCEPT that portion of said premises, if any, lying South of the North line of those premises conveyed to John T. Galyean, et ux, by Deed dated October 29, 1928, filed January 11, 1933, under Auditor's File No. 254307, and recorded in Volume 154 of Deeds, page 566.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

That portion of the Northwest ¼ of the Northwest ¼ of Section 29, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the North line of said Section, which is 187.45 feet East of the Northwest corner thereof;

thence South parallel with the West line of said Section, 396 feet;

thence East parallel with the North line of said Section, 142.55 feet;

thence North parallel with the West line of said Section to the North line thereof;

thence West along said North line to the point of beginning,

EXCEPT the North 30 feet thereof known as Section Street conveyed to the City of Mount Vernon by instrument recorded April 16, 1908, under Auditor's File No. 67235, records of Skagit County, Washington,

AND EXCEPT that portion of said premises, if any, lying South of the North line of those premises conveyed to John T. Galyean, e tux, by Deed dated October 29, 1928, filed January 11, 1933, under Auditor's File No. 254307, and recorded in Volume 154 of Deeds, page 566,

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EXHIBIT "A"

/PARCEL "B" continued:

AND ALSO EXCEPT the South 172.00 feet,

AND ALSO EXCEPT the North 100.00 feet of the East 60.00 feet thereof.

TOGETHER WITH a non-exclusive easement mutually beneficial easement for ingress, egress and utilities over, under and across the East 30.00 feet of the North 194.00 feet of the following described tract:

That portion of the Northwest ¼ of the Northwest ¼ of Section 29, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point 187.45 feet East of the Northwest corner of said Section 29; thence running South parallel with the West line of said Section, 396 feet; thence West to the East line of the right of way of the Great Northern Railway Company; thence Northerly along said East line of said right of way to the North line of said Section; thence East to the point of beginning,

EXCEPT the North 30 feet conveyed to the City of Mount Vernon by instrument recorded April 16, 1908, under Auditor's File No. 67235, records of Skagit County, Washington,

AND EXCEPT that portion of said premises, if any, lying South of the North line of those premises conveyed to John T. Galyean, et ux, by Deed dated October 29, 1928, filed January 11, 1933, under Auditor's File No. 254307, and recorded in Volume 154 of Deeds, page 566.

Situate in the County of Skagit, State of Washington.

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