

When Recorded Return to:
LOUIS BRATZ, JR. JANET BRATZ
11108 Peace Cliff Lane
Anacortes WA 98221



200508050168

Skagit County Auditor

8/5/2005 Page 1 of 5 3:54PM

Chicago Title Company - Island Division
Order No: AE10912 MM

1C35838 ✓

DEED OF TRUST

(For use in the State of Washington only)

THIS DEED OF TRUST, made this July 26, 2005

MICHAEL M. ATTERBERRY and WENDY D. ATTERBERRY, husband and wife
GRANTOR, whose address is

1514 32nd Street, Anacortes, WA 98221

Chicago Title Company - Island Division, a Washington Corporation
TRUSTEE, whose address is 3110 Commercial, Suite 101
P. O. Box 1228, Anacortes WA 982211228
and

LOUIS E. BRATZ, JR. and JANET M. BRATZ, husband and wife
BENEFICIARY, whose address is

11108 Peace Cliff Lane, Anacortes WA 98221

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 EXHIBIT A WHICH IS HERETO ATTACHED.

Situated in Skagit County, Washington.

Abbreviated legal: Lot 4, Short Plat 31-90, ptn Lots 60 and 61, Anaco Beach

Tax Account No.: 3858-000-061-0201 P103205

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 TWO HUNDRED NINETY-SIX THOUSAND THREE HUNDRED THIRTY-SIX AND 98/100 (\$296,336.98) Dollars with interest, in accordance with 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:

LPB No. 22

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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 and 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 obligations 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 obligations 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 the 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



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Skagit County Auditor

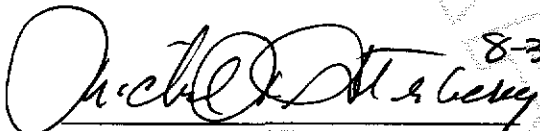
prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrances for value.


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 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 the 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.

Prior to Beneficiary's receipt of full payment, Grantor herein shall not make any significant changes to the property or cut and or remove trees without sellers written consent.

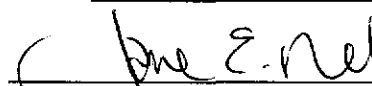
 8-3-05
MICHAEL M. ATTERBERRY Date

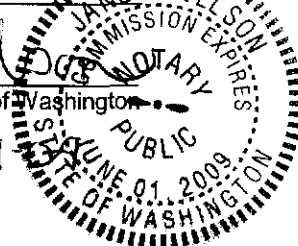
 8-3-05
WENDY D. ATTERBERRY Date

STATE OF WASHINGTON
COUNTY OF Skagit

I certify that I know or have satisfactory evidence that MICHAEL M. ATTERBERRY and WENDY D. ATTERBERRY the person(s) who appeared before me, and said person(s) acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes therein mentioned in this instrument.

Dated: 8-3-05


Notary Public in and for the State of Washington
Residing at ANACORTIS
My appointment expires: 6-1-2009





PARCEL A:

Lot 4 of SKAGIT COUNTY SHORT PLAT NO. 31-90 as approved February 6, 1991, and recorded February 8, 1991, in Volume 9 of Short Plats, pages 313 through 315, under Auditor's File No. 9102080001, records of Skagit County, Washington; being a portion of Lots 60 and 61, Anaco Beach, according to the plat thereof recorded in Volume 5 of Plats, page 4, records of Skagit County, Washington.

Situated in Skagit County, Washington.

PARCEL B:

An easement for road right-of-way and right of ingress and egress and water line, being 20 feet in width, the centerline of which is more particularly described as follows:

Commencing at the Northwest corner of Lot 57, Anaco Beach, according to the plat thereof recorded in Volume 5 of Plats, page 4, records of Skagit County, Washington;
Thence South 29°38'00" East 136.39 feet along the Westerly line of said Lot 57 to the true point of beginning of said centerline, said point also being the centerline of Seabreeze Place, a private road as shown on Skagit County Short Plat No. 114-78, approved September 1980, and recorded October 2, 1980, in Volume 4 of Short Plats, page 185, under Auditor's File No. 8010020002, records of Skagit County, Washington;
Thence North 43°28'00" East 163.63 feet along said centerline to the North line of said Lot 57;
Thence North 37°06'31" East 81.64 feet along said centerline of Seabreeze Place to a point of curvature;
Thence along the arc of said curve to the right having a radius of 100.00 feet, through a central angle of 66°43'52", an arc distance of 116.47 feet to a point of tangency;
Thence South 76°09'37" East 49.91 feet;
Thence South 86°00'00" East 70.00 feet to a point of curvature;
Thence along the arc of said curve to the left having a radius of 40.00 feet, through a central angle of 79°24'46", an arc distance of 55.44 feet to a point of tangency;
Thence North 14°35'14" East 19.50 feet to a point of curvature;
Thence along the arc of said curve to the left having a radius of 122.00 feet, through a central angle of 69°20'37", an arc distance of 147.65 feet to a point of compound curvature;
Thence along the arc of said curve to the left having a radius of 410.00 feet, through a central angle of 17°48'02", an arc distance of 127.38 feet to a point of reverse curvature;
Thence along the arc of said curve to the right having a radius of 40.00 feet, through a central angle of 77°25'05", an arc distance of 54.05 feet to a point of compound curvature;
Thence along the arc of said curve to the right, having a radius of 170.00 feet, through a central angle of 25°28'24", an arc distance of 75.58 feet to a point of reverse curvature;
Thence along the arc of said curve to the left, having a radius of 250.00 feet, through a central angle of 18°44'06", an arc distance of 81.75 feet to a point of reverse curvature;
Thence along the arc of said curve to the right, having a radius of 150.00 feet, through a central angle of 41°31'25", an arc distance of 108.71 feet to a point of reverse curvature;
Thence along the arc of said curve to the left, having a radius of 145.00 feet, through a central angle of 25°45'14", an arc distance of 65.18 feet to a point of tangency;
Thence North 27°22'09" East 54.00 feet to a point of curvature;
Thence along the arc of said curve to the left having a radius of 130.00 feet, through a central angle of 30°40'31", an arc distance of 69.60 feet to a point of tangency;
Thence North 03°18'22" West 311.28 feet;
Thence North 16°34'53" West 255.86 feet to the North line of Lot 61, said Anaco Beach, and the terminus of said centerline of 20 foot wide easement, at a point that is North 89°56'00" East 495.30 feet from the Northwest corner of said Lot 61.

Situated in Skagit County, Washington.

PARCEL C:

A 60 foot wide easement for ingress, egress and utilities over, under and through a portion of Lot 57, Anaco Beach, according to the plat thereof recorded in Volume 5 of Plats, page 4, records of Skagit County, Washington, the centerline of which is described as follows:



Beginning at a point on the North line of Lot 57 which lies North 89°51'19" East, a distance of 181.21 feet from the Northwest corner thereof, also from said point of beginning the center of a non-tangent curve bears South 45°17'18" East, a distance of 490.00 feet;

Thence Southwesterly along said curve through a central angle of 04°50'53", and an arc distance of 41.46 feet;

Thence South 39°51'49" West, a distance of 88.52 feet to the point of curvature of a curve concave to the Northwest having a radius of 160.00 feet;

Thence Southwesterly along said curve through a central angle of 13°01'44" and an arc distance of 36.38 feet to a point on the West line of said Lot 57 at a point which lies South 29°42'41" East, a distance of 141.85 feet from the Northwest corner thereof and the terminal point of this centerline description.

Situated in Skagit County, Washington.

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 _____ 19 ____.

BY: _____

RETURN Full Reconveyance to the following parties:

