



200510070125

Skagit County Auditor

10/7/2005 Page

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4 2:05PM

FILED FOR RECORD AT REQUEST OF:

Name: WESTAR FUNDING, INC.

Address: 5005 200th Street SW
Lynnwood, WA. 98036

FIRST AMERICAN TITLE CO.

A85068-2

Deed of Trust

THIS DEED OF TRUST, made this 30th day of SEPTEMBER, 2005 between Russell F Moline, a single man, as his separate estate and Zeedie R Collins, a single woman, as her separate estate, who also appears on title as Zeedie Collins, GRANTOR, whose address is 7444 Holiday Blvd, Anacortes, WA 98221, Jerome A. Froland, Attorney at Law as TRUSTEE, whose address is P.O. Box 13125, Mill Creek, WA. 98082 and Westar Funding, Inc., BENEFICIARY, whose address is 5005 200th Street SW, Lynnwood, WA. 98036.

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale,

the following described real property in Skagit County, Washington:

Lots 27-30, Blk 21, "NORTH ANACORTES" (Parcel A) and Lots 1-7 and 21-28, Blk 22, "NORTH ANACORTES" (Parcel B)

LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND INCORPORATED HEREIN BY THIS REFERENCE.

Tax Account Numbers: Parcel A 3843-021-030-0005 P60797 and Parcel B 3843-022-028-0007 P60799

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, the Hazardous Waste Certificate and payment

of the sum of Fifty Thousand Dollars and No/100's (\$50,000.00)

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 herein above 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.

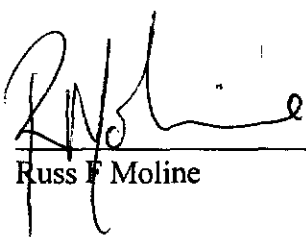
IT IS MUTUALLY AGREED THAT:

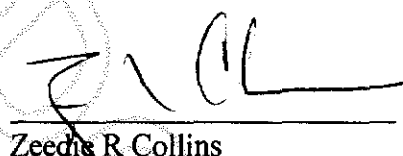
1. In the event any portion of the property is taken or damaged in any eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
2. By accepting payment of 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 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 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 the Trustee brings such action or proceeding.
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.


Russ F Moline

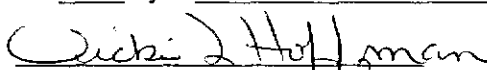

Zeddie R Collins

STATE OF WASHINGTON)
COUNTY OF SKAGIT

RUSSELL F. MOLINE

On this day personally appeared before me AND ZEDDIE R. COLLINS to me known to be the individual 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 purposes therein mentioned.

GIVEN under my hand and official seal
this 30th day of SEPT., 2005


Notary Public in and for the State of Washington,
residing at ANACORTES



Legal description

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Parcel "A":

Lots 27 Thru 30, inclusive, Block 21, "CITY OF NORTH ANACORTES, SKAGIT COUNTY, WASHINGTON", as per plat recorded in Volume 3 of Plats, Pages 23 ½, records of Skagit County, Washington.

TOGETHER WITH all portions of vacated streets and alleys adjoining said premises, if any, which upon vacation reverted to said premises by operation of law;

TOGETHER WITH a non-exclusive easement (Glencoe Lane) for ingress, egress and utilities, as granted by instruments recorded August 21, 1991 and September 8, 1992, under Auditor's File Nos. 9108210055 and 9209080136, records of Skagit County, Washington.

Parcel "B":

Lots 1 through 7 and Lots 21 through 28, Block 22, "CITY OF NORTH ANACORTES" according to the plat thereof, recorded in Volume 3 of Plats, page 23 ½, records of Skagit County, Washington



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Skagit County Auditor