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CHICAGO TITLE IC38120
ACCOMODATION RECORDING

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WHEN RECORDED RETURN TO: Keith Barrick Robin Barrick 26867 Greentree Avenue Madera, California 93638

#### Deed of Trust

(For Use in the State of Washington Only)

THIS DEED OF TRUST, made this 9th day of March, 2006, between B and RANVESTMENT LLC, a Washington limited liability company, GRANTOR, whose address is 2627 Eastlake Avenue East, Seattle, Washington 98102,

Chicago Title Insurance Company - Island Division, TRUSTEE, whose address is 425 Commercial Street, Mount Vernon, Washington 98273.

and Keith Barrick and Robin Barrick, husband and wife, BENEFICIARY, whose address is 26867 Greentree Avenue, Madera, California 93638,

WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

Abbreviated legal description:

Ptn. SW, Sec. 7, T36N, R5EWM; Ptn. NE, Sec. 13, T36N, R4EWM and Ptn. NW, Sec. 18, T36N, R5EWM; (full legal description contained in Schedule A attached hereto)

Tax Account Numbers: 360507-0-008-0008, 360507-0-011-0003, 360518-2-001-0008, 360518-0-001-0101, 360413-1-001-0105,

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.

All sums owing under the Promissory Note secured by this deed of trust are due and payable in full upon sale or transfer of the above real property or 181 days from the recording of this deed of trust, whichever first occurs. This deed of trust also secures additional obligations of Grantor, including rights to require Grantor to convey the real property to Beneficiary, under the terms of a Qualified Exchange Accommodation Agreement between Grantor and Beneficiary.

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This deed is for the purpose of securing performance of each agreement of grantor herein contained, including the terms of the Qualified Exchange Accommodation Agreement between Grantor and Beneficiary, and payment of the sum of Three hundred eighty thousand eight hundred ninety-nine and 75/100 Dollars (\$380,899.75) 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. 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.

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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 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.
- 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.

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- 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, 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.

Ranch
B and R Investment LLC,
a Washington limited liability company

By:

Reverse Exchange Corporation, a Washington corporation, Sole Member

Kelly M. Yates, House Counsel and Authorized Signatory

State of Washington ) )ss County of King )

(Seal or Stahn)

On this day personally appeared before me Kelly M. Yates, to me known to be an Authorized Signatory of Reverse Exchange Corporation, the corporation that executed the within and foregoing instrument as sole member of B and R Investment LLC, a Washington limited liability company, and acknowledged that he signed the same as the free and voluntary act and deed of said limited liability company, for the uses and purposes mentioned in the instrument.

Given under my hand and official seal this \_\_\_\_\_\_ day of March, 2006.

Notary Public in and for the State of

Washington, residing at \_\_\_\_\_\_\_\_

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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.

Datted: \_\_\_\_\_\_

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# **EXHIBIT "A"**

# PARCEL A:

That portion of Government Lot 4 lying East of the East right of way line of State Road and that portion of the Southeast Quarter of the Southwest Quarter lying Westerly of the Westerly line of the Burlington Northern Railway right of way, all in Section 7, Township 36 North, Range 5 East of the Willamette Meridian:

EXCEPT that portion lying Northerly and Easterly of the following described line:

Beginning at the intersection of the Westerly line of said railroad right of way and the center line of Mill Creek;

Thence Northwesterly along the center line of said creek to the Easterly line of the Samish River;

Thence Northerly along the Easterly line of said river, a distance of 200 feet; Thence Northwesterly to a point on the Easterly line of the state road which lies 400 feet Southwesterly of the North line of Government Lot 4 of said Section 7, when measured along the Easterly line of said road, said point being the terminus of this line description.

Situated in Skagit County, Washington

#### PARCEL B:

Government Lot 1 and the Northeast Quarter of the Northwest Quarter of Section 18, Township 36 North, Range 5 East of the Willamette Meridian,

EXCEPT that portion lying East of the right of way of the Northern Pacific Railway Company as described in instrument recorded Volume 92 of Deeds, page 242, under Auditor's File No. 97075, records of Skagit County, Washington,

AND EXCEPT that portion thereof lying West of the West line of said Northern Pacific Railway Company right of way and South of the following described line:

Beginning at the Northwest corner of Section 18, Township 36 North, Range 5 East of the Willamette Meridian;

Thence South 19°20'44" West, a distance of 765.42 feet to a point on the East line of Secondary State Highway 1A and the true point of beginning of this line description; Thence South 74°32'46" East, a distance of 1,129.59 feet, more or less, to the West line of said Northern Pacific Railway Company right of way and the terminus of this line description;

AND ALSO EXCEPT road.

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continued.....

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## **EXHIBIT 'A' continued:**

## PARCEL C:

The East Half of the Northeast Quarter of the Northeast Quarter of Section 13, Township 36 North, Range 4 East of the Willamette Meridian;

EXCEPT that portion thereof conveyed to Skagit County for road purposes by deed recorded under Auditor's File No. 177637, records of Skagit County, Washington;

AND EXCEPT the following Tracts 1 and 2:

- 1. That portion of the East Half of the Northeast Quarter of the Northeast Quarter of said Section 13, lying West of the East right of way line of Secondary State Highway No. 1-A.
- 2. That portion of the East Half of the Northeast Quarter of the Northeast Quarter of said Section 18, lying Easterly of the East right of way line of Secondary State Highway No. 1-A and South of the following described line:

Beginning at the Northwest corner of Section 18, Township 36 North, Range 5 East of the Willamette Meridian;

Thence South 19°20'44" West, a distance of 765.42 feet, to a point on the East line of Secondary State Highway 1-A and the true point of beginning of this line description;

Thence South 74°32'46" East, a distance of 1,129.59 feet, more or less, to the West line of the Northern Pacific Railroad right of way and the terminus of this line description.

Situated in Skagit County, Washington

- END OF EXHIBIT "A" -

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