

AFTER RECORDING MAIL TO:

Attn: Document Control
Golf Savings Bank
P.O. Box 5010
Lynnwood, WA 98046-5010



200610050100

Skagit County Auditor

10/5/2006 Page

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3

3:31PM

528-104036

DEED OF TRUST

(For use in the State of Washington only)

FIRST American Title

b89252E.2

Escrow No.

Title Order No. **b89252**

Reference Numbers of Related Documents:

THIS DEED OF TRUST, made this **September 27, 2006**
Brandon E. Dowe, A Single Person

, between

whose address is 20312 Christie Place, Burlington WA 98233

and

First American Title Insurance Company

, GRANTOR,

whose address is **PO Box 1667, Mount Vernon WA 98273**

Golf Savings Bank, a Washington Stock Savings Bank

, TRUSTEE,
and

whose address is **6505 218th St SW Suite 9, Mountlake Terrace WA 98043**

, BENEFICIARY,

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

THE LAND REFERRED TO IN THIS REPORT/POLICY IS SITUATED IN THE STATE OF WASHINGTON, COUNTY OF SKAGIT, AND IS DESCRIBED AS FOLLOWS: LOT 1. "TOWN OF LYMAN SHORT PLAT NO. LYMAN 01-2001," APPROVED SEPTEMBER 17, 2001, AND RECORDED SEPTEMBER 24, 2001, UNDER AUDITOR'S FILE NO. 200109260013, RECORDS OF SKAGIT COUNTY, WASHINGTON; BEING A PORTION OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 17, TOWNSHIP 35 NORTH, RANGE 6 EAST, W.M.

Assessor's Property Tax Parcel/Account Number(s): 350617-0-188-0700

Which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter placed thereon, belonging or in any wise appertaining, and the rents, issues and profits thereof. Grantor also grants Beneficiary a security interest in all fixtures, machinery, equipment and appliances of every nature now or hereinafter attached to or located in or on the above described real property, all of which, including replacements and additions thereto (and proceeds thereof) shall be deemed to be and remain a part of the real property covered by this deed of trust.

This deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of **\$240,000.00** 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. The promissory note provides for a **variable rate** of interest with no limitation on the amount of change or maximum rate to be charged.

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 default 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. Grantor shall not sell, transfer, subdivide or further encumber or otherwise convey any interest in the property secured hereby. In the event that all or part of or any interest in the property secured by this deed of trust shall be sold, transferred, conveyed, subdivided, short platted, further encumbered, or a real estate contract or other conveyance transferring title to, or possession of, the property be entered into with respect thereto, then, upon occurrence of any of the foregoing events, and regardless of whether or not Grantor is otherwise in default of the Note or this Deed of Trust, Beneficiary, in its sole discretion, may declare a default and declare the then outstanding balance evidenced by the Note plus all accrued interest thereon and any other amounts owing thereunder immediately due and payable in full.

3. 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.

4. 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.

5. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein or in the Note, 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; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

6. 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.

7. 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, or Beneficiary may pursue Grantor personally on the note without waiver of any rights under this deed of trust.

8. 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 an action or proceeding in which Grantor, Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

9. 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.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR FORBEAR FROM ENFORCING REPAYMENT OR A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

Dated: September 27, 2006


Brandon E. Dowe -Borrower

-Borrower

-Borrower

-Borrower



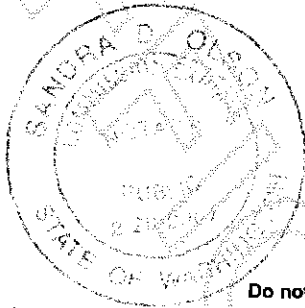
State of Washington

}ss.

County of Skagit

I certify that I know or have satisfactory evidence that they is/are 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 mentioned in this instrument.

Dated: _____



Notary Public in and for the State of Washington

Residing at _____

My appointment expires _____

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: _____, 20____



200610050100

Skagit County Auditor