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Filed for record at the request of:

James A. Cook, Jr. 26135 Minkler Rd.

Sedro-Woolley, WA 98284

THIS DOCUMENT IS BEING RE-RECORDED TO ADD LEGAL DESCRIPTION

DOC. TITLE: DEED OF TRUST

GRANTORS: PARKER, A. ANN, TRUSTEE OF THE CUNNINGHAM FAMILY TRUST

COOK, JAMES A., JR., and COOK, TERRI E. GRANTEE: FIRST AMERICAN TITLE COMPANY GRANTEE:

LEGAL DESC.: Section 9, Township 35, Range 8; Ptn. NW SE (Affects Parcel "A")

Section 11. Township 35, Range 7; Ptn. SW NE (Affects Parcel "C)

Section 9, Township 35, Range 8; Pnt. NW SE and Gov. Lot 5 (Affects Parcel "A")

Section 24, Township 35, Range 10; Ptn. NE 1/4 NW 1/4 (Affects Parcel "E") Section 9, Township 35, Rauge 8; Ptn. NW SE (Affects Parcel "F-1")

Ptn. of Block 11, "C.W. GRIEST'S PLAT" (Affects Parcel "F-2") Section 14, Township 35, Range 7; Ptn. SW 1/4 NW 1/4 (Affects Parcel "H-1) Section 14. Township 35, Range 7: Ptn. SW 1/2 NW 1/2 (Affects Parcel "H-2")

Lot 3 Short Plat No. PL00-0011 (Affects Parcel "I")

Section 14, Township 35, Range 7; Ptu. SW NE and Gov. Lot 2 (Affects Parcel "J")

Lot 2 Short Plat No. 02-0504 (Affects Parcel "K") Lot 3 Short Plat No. 02-0504 (Affects Parcel "L") Lot 1 Short Plat No. 02-0504 (Affects Parcel "M")

TAX I.D. NOS.: 350809-4-002-0101 P43605, 350711-1-005-0002 P42447, 350711-0-002-0007 P43416,

350809-4-003-0019 P43607, 351024-2-001-0012 P45543, 350809-4-002-0002 P43604, 4066-011-018-0000 P71023, 350714-2-007-0005 P42676, 350714-1-004-0000 P42665, 350714-0-012-0002 P42604, 350714-0-015-0100 P120151, 350714-0-003-0003 P42594, 350714-0-016-0008 P42609, 350714-0-015-0009 P42608. FIRST AMERICAN TITLE CO.

89405E

DEED OF TRUST

THIS DEED OF TRUST, made this 26 day of October, 2006, between A. ANN PARKER, TRUSTEE FOR THE CUNNINGHAM FAMILY TRUST, under Declaration of Trust dated May 22. 1997, GRANTOR, FIRST AMERICAN TITLE COMPANY, a California Corporation, TRUSTEE, the address of which is P.O. Box 1667, Mount Vernon, WA 98273, and JAMES A. COOK, JR., and TERRI E. COOK, husband and wife, BENEFICIARIES, whose address is 26135 Minkler Rd., Sedro-Woolley, WA 98284, WITNESSETH: Grantors, in consideration of the acceptance by Trustee of the trust hereunder, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to secure the payment of the indebtedness evidenced by the promissory note of even date, with interest thereon, and any other sums payable thereunder and hereunder, and to secure the performance of the obligations contained herein, grant, bargain, sell and convey to Trustee and its successors in Trust and assigns forever, in trust, with power of sale, right of entry, and possession and for the benefit of the Beneficiaries, all of Grantor's estate, right, title, interest, claim and demand in the property located in Skagit County, State of Washington, described as follows:

- (a) Legal Description:
  LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A" AND INCORPORATED HEREIN BY THIS REFERENCE
- (b) All buildings, structures and other improvements now or hereafter erected on the real property;
- (c) All fixtures and trade fixtures used in association with the improvements on the real property;
- (d) All personal property placed upon or used in conjunction with the real property;
- (e) All of the Grantors' rights as landlord in and to all existing and future leases and tenancies, whether written or oral, and any issues or profits thereof;
- (f) The rights to the proceeds of sale of any of the foregoing;

which real property is not used principally for agricultural purposes (which is defined as an operation to produce crops, livestock or aquatic goods), 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 FIVE HUNDRED FORTY TWO THOUSAND AND NO/100 Dollars (\$542,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantors, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantors, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon. The term "Grantor" as used in this agreement includes the "Borrower" as defined in RCW 61.24, if the Borrower is a person or entity other than the Grantor.

To protect the security of this Deed of Trust, Grantors covenant and agree:

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. Grantors shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the property or any portion of the property. Without limiting the generality of the foregoing, Grantors will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel, or rock products without the prior written consent of Lender, except in the ordinary course of their business operations. No merchantable timber shall be removed from the described real property without the Lender's prior approval of a timber plan.

3. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lenders interests and to inspect the property for purposes of Grantors compliance with the terms and conditions of this Deed of Trust.

4. 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.

5. 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 Grantors. 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

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proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantors in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

- 6. 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 be Beneficiary to foreclose this Deed of Trust.
- 7. 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 fees, attorney's fees, appraisal fees (including those related to any action for a deficiency judgment) actually incurred, as provided by statute.
- 8. Should Grantors 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:

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. Each of the following, at the option of the Beneficiary, shall constitute an event of default under this Deed of Trust:

a. Default in Indebtedness: Failure of Grantors to make any payment when due on the indebtedness.

- b. Default on Other Payments: Failure of Grantors within the time required by this Deed of Trust to make any payment for taxes or any other payment necessary to prevent filing of or to effect discharge of any lien.
- c. Compliance Default: Failure of Grantors to comply with any other term, obligation, covenant or condition contained in this Deed of Trust or Note.
- d. Defective Collateralization: This Deed of Trust ceases to be in full force and effect at any time for any reason.
- e. Foreclosure: Commencement of foreclosure proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantors or by any governmental agency against any of the real property described herein.
- 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. Pursuant to RCW 62.9-501(4), if this deed of trust encumbers both real and personal property, the trustee is authorized to sell all or any portion of the grantor's interest in the real and personal property at the trustee's sale. 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. With regard to any personal property, fixtures, assignments of choses, such security may be foreclosed as provided herein, or as may otherwise be provided by law.
- 6. Nothing herein contained shall prohibit Beneficiary from pursuing any other remedy available to it or its successor at law. Specifically, Beneficiary or Trustee shall be entitled to take possession of any property defined as security hereunder, to marshal the assets defined as security hereunder, and to the appointment of a receiver in the manner provided by law, without regard to the sufficiency of the property or any other security for the indebtedness secured hereby, which receiver shall be entitled to collect the rents, profits, proceeds of sale, or other income generated by the property used as security hereunder, and the application of

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such sums to the indebtedness owed Beneficiary. Beneficiary, or Beneficiary's agent or designee, shall be entitled to act in the capacity of receiver without necessity of appointment by the court having jurisdiction, and without bond. In the event Beneficiary obtains the appointment of a receiver from a court of competent jurisdiction, Beneficiary may so act or may designate Beneficiary's agent so to act, without bond to the extent allowed by law. The costs of such receivership shall be added to and become a part of the debt secured by this Deed of Trust.

Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey *7.*° 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 purchasers and encumbrancers for value.

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.

In the event of the death, incapacity, disability or resignation of Trustee or the election of the beneficiary to replace the 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.

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.

This Deed of Trust is personal to the Grantors herein. In the event of the sale, lease, assignment or transfer of all or a part of the Grantors interest in the real property, whether legal, beneficial or equitable, without prior approval of the Lender, the full balance of principal and interest due on the Note secured by this Deed of Trust shall be due and payable in full. However, the parties hereto contemplate the sale of a portion of the parcels of real property described above. The parties hereto shall enter into good faith negotiations with respect to Deed Releases for each such parcel.

CUNNINGHAM FAMILY TRUST a. ANN PARKER, Trustee STATE OF WASHINGTON

County of SKAGIT

On this day personally appeared before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, A. ANN PARKER, to me known to be the Trustee of the Trust that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said Trust, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute the said instrument

Witness my hand and official seal this 26 Th day of October, 2006! NOTARY PUBLIC in and for the State of Washington, residing at Durling TON My appointment expires 10-19:08. p. 4 of 5 - Deed of T---



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# 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 this	day of, 20	

STATE OF WASHINGTON COUNTY OF SKAGIT

I, Auditor of Skagit County, State certify that the foregoing investigate of the original now on files from once in the original now on the original now on files from once in the original now on the original now on

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Order No: 89605



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### 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":

The West 480 feet of the following described tract:

That portion of the Northwest ¼ of the Southeast ¼ of Section 9, Township 35 North, Range 8 East, W.M., lying Southerly of the county road as the same existed on May 15, 1961;

EXCEPT the South 181.5 feet thereof.

PARCEL "C":

That portion of the Southwest ¼ of the Northeast ¼ of Section 11, Township 35 North, Range 7 East, W.M., lying Northerly of the county road (formerly State Highway 17-A), as the same was originally conveyed to Skagit County by deed dated October 4, 1927, and recorded February 2, 1928, in Volume 146 of Deeds, page 313, under Auditor's File No. 210336, records of Skagit County, Washington;

EXCEPT that portion lying within the as built and existing county road along the West line of said subdivision;

ALSO EXCEPT the following described tract:

Beginning at the Northwest corner of said Southwest ¼ of the Northeast ¼; thence East along the North line of said Southwest ¼ of the Northeast ¼ a distance of 520 feet to the Northeast corner of that certain tract conveyed to Colin R. Thomson and Zoel M. Thomson, husband and wife, by deed dated May 8, 1953, and recorded May 11, 1953, under Auditor's File No. 488120, records of Skagit County, Washington; thence Southerly along the Easterly line of said Thomson Tract a distance of 570 feet to the Southeast corner of that certain tract conveyed to L.G. Cunningham and Ardath G. Cunningham, husband and wife, by deed dated May 4, 1966, and recorded May 6, 1966, under Auditor's File No. 682486, records of Skagit County, Washington, and the true point of beginning of this description; thence Westerly along the Southerly line of said Cunningham Tract to a point on the West line of said subdivision that is 610 feet South of the Northwest corner of said Southwest ¼ of the Northeast ¼; thence South along the West line of said subdivision to the North line of the above referred to county road; thence Northwesterly along said road a distance of 620 feet to the Southeast corner of said Thomson Tract; thence Northwesterly along the East line of said Thomson Tract to the true point of beginning.

PARCEL "D":

The South 11 rods (181.5 feet) of the Northwest ¼ of the Southeast ¼; and the North ½ of Government Lot 5, both in Section 9, Township 35 North, Range 8 East, W.M..

PARCEL "E":

That portion of the Northeast ¼ of the Northwest ¼ of Section 24, Township 35 North, Range 10 East, W.M., lying Easterly of the county road right-of-way known as the Rockport-Cascade Road.

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#### PARCEL "F-1":

That portion of the Northwest ¼ of the Southeast ¼ of Section 9, Township 35 North, Range 8 East, W.M., lying Southerly of the county road as the same existed on May 15, 1961;

EXCEPT the South 181.5 feet thereof;

ALSO EXCEPT from the above described premises the West 480 feet thereof (as measured along the South line thereof).

PARCEL "F-2":

The North 100 feet of the East 220 feet of Block 11, "C.W. GRIEST'S PLAT OF GRASSMERE", according to the plat thereof recorded in Volume 3 of Plats, page 94, records of Skagit County, Washington; ALSO Lots 6 through 18, Block 11, "C.W. GREIST'S PLAT OF GRASSMERE", according to the plat thereof recorded in Volume 3 of Plats, page 94, records of Skagit County, Washington.

PARCEL "H-1":

That portion of the North ½ of the Southwest ¼ of the Northwest ¼ of Section 14, Township 35 North, Range 7 East, W.M., lying North of the Map of Bessemer, according to the plat thereof recorded in Volume 2 of Plats, page 97, records of Skagit County, Washington;

EXCEPT the North one-fifth of the Northwest ¼ of the Southwest ¼ of the Northwest ¼ of said Section 14;

ALSO EXCEPT county road.

PARCEL "H-2":

The North one-fifth of the Northwest ¼ of the Southwest ¼ of the Northwest ¼ of Section 14, Township 35 North, Range 7 East, W.M.;

EXCEPT county road rights-of-way.

PARCEL "I":

Lot 3 as delineated on Short Plat No. PL00-0011 as recorded on December 11, 2001, under Auditor's File No. 200112110026 being a portion of the Northwest ¼ of the Northeast ¼ of Section 14, Township 35 North, Range 7 East, W.M..

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### PARCEL "J":

That portion of Government Lot 2 and the Southwest ¼ of the Northeast ¼ of Section 14. Township 35 North, Range 7 East, W.M., described as follows:

Beginning at the most Northerly corner of the East line of Lot 3 of Short Plat No. PL02-0504 as recorded under Auditor's File No. 200301030016 records of Skagit County, Washington; thence North 00°51'33" East along the East line of said Short Plat, a distance of 441.20 feet; thence South 89°08'27" East, a distance of 240.13 feet to the West line of the East 363 feet of the Southwest 4 of the Northeast 4 of said Section 14: thence South 00°37'58" West along said West line, a distance of 33.57 feet to a point, hereinafter referred to as Point "A", which lies North 00°37'58" East a distance of 41.43 feet from the Southwest corner of the East 363 feet of the Southwest 1/4 of the Northeast 1/4 of said Section 14; thence South 27°10'36" West, a distance of 323.06 feet to the North line of Pressentin Road; thence South 00°51'33" West, a distance of 507 feet to the Skagit River; thence Northwesterly along the Skagit River, a distance of 149 feet to the Southeast corner of Lot 3 of Short Plat No. PL02-0504; thence North 00°51'33" East along the East line of said Lot 3, a distance of 275.91 feet to the point of beginning. EXCEPT Pressentin Road.

TOGETHER with non-exclusive easements for well protection zone over, across and under that portion of Lot 1 of said short plat and that portion of the Grantor's adjacent property to the East which lie within 100 feet of the well located on the hereinabove described property as said well is delineated on the face of said short plat.

#### PARCEL "K":

Lot 2 as delineated on Short Plat No. 02-0504 as recorded on January 3, 2003 under Auditor's File No. 200301030016 being a portion of the Southeast ¼ of the Northwest ¼ and the Northeast ¼ of the Southwest 1/4 of Section 14, Township 35 North, Range 7 East, W.M..

#### PARCEL "L":

Lot 3 as delineated on Short Plat No. 02-0504 as recorded on January 3, 2003 under Auditor's File No. 200301030016 being a portion of the Northwest ¼ of the Southeast ¼ of Section 14, Township 35 North, Range 7 East, W.M..

#### PARCEL "M":

Lot 1 as delineated on Short Plat No. 02-0504 as recorded on January 3, 2003 under Auditor's File No. 200301030016 being a portion of the Southwest 1/4 of the Northeast 1/4 and the Northwest 1/4 of the Southeast 1/4 of Section 14, Township 35 North, Range 7 East, W.M.,

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