

AFTER RECORDING MAIL TO:

First American Title
1301 B Riverside Drive
Mount Vernon, WA 98273



200612290185

Skagit County Auditor

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Recorded at the request of:

First American Title

File No.: B89808

SECOND

DEED OF TRUST

(For use in the State of Washington only)

THIS DEED OF TRUST SHALL BE SUBORDINATED TO THAT CERTAIN DEED OF TRUST DATED

DECEMBER 27, 2006 2006 RECORDED UNDER AUDITOR'S FILE NO. 200612290183

THIS DEED OF TRUST, made this day of December, 2006, between Victor Benson and Linda Benson, husband and wife, as to Parcels 'G', 'I' and 'M' Victor L. Benson, as the Trustee of the Benson Family Trust dated June 5, 2000, as to Parcels 'K' and 'L', GRANTORS, whose address is 19357 Kanako Lane Mount Vernon, WA 98274, First American Title Of Skagit County, TRUSTEE, whose address is 1301-B Riverside Drive, Mount Vernon, WA 98273 and First American Title of Skagit County, BENEFICIARY, whose address is, P.O. Box 1667, Mount Vernon, WA 98273.

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

FIRST AMERICAN TITLE CO.

89808E-4

Abbreviated Legal:

Portions of Sections 4, 8, 9 and 10 in Township 33, Range 4

For Full Legal See Attached Exhibit "A"

ACCOMMODATION RECORDING ONLY

Tax Parcel Number(s): 330409-2-009-0104, P16593, 330409-1-002-0012, P16579, 330404-3-014-0100, P99837, 330404-3-010-0401, P16313, 330409-2-004-0000, P16587, 330409-2-002-0101, P16585, 330409-2-002-0200, P99591, 330409-2-005-0009, P16588, 330409-2-002-0002, P16584, 330409-2-006-0008, P16589, 330409-2-007-0007, P16590, 330409-2-008-0006, P16591

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 Grantors herein contained, and to secure Indemnity Agreement I of even date, in accordance with the terms of said agreement 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.

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. 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 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 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.
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 Grantors 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 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 Grantors 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 Grantors 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; and (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 Grantors 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.

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 Grantors, 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.

Victor Benson
Victor Benson

Linda Benson
Linda Benson

The Benson Family Trust dated June 5, 2000

Victor L. Benson
By: Victor L. Benson, Trustee



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Skagit County Auditor

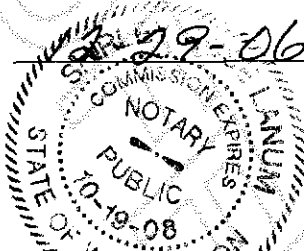
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State of Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that **Victor Benson and Linda Benson** the persons who appeared before me, and said persons acknowledge that they signed this instrument and acknowledge it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 12-29-06



Shirley Rose Lamm

Notary Public in and for the State of Washington

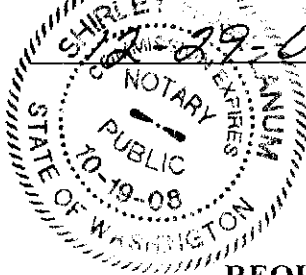
Residing at: Burlington

My appointment expires: 10-19-2008

STATE OF Washington }
County of Skagit } SS:

I certify that I know or have satisfactory evidence that Victor L. Benson
signed this instrument, on oath stated that He is
authorized to execute the instrument and acknowledged it as the Trustee
of The Benson Family Trust to be the free and voluntary act of such
party for the uses and purposes mentioned in this instrument.

Dated: 12-29-06



Shirley Rose Lamm

Notary Public in and for the State of Washington

Residing at: Burlington

My appointment expires: 10-19-2008

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 _____,

Mail reconveyance to: _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee before cancellation will be made.



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Exhibit "A"

PARCEL "G":

The Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$; and the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$; and the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ all in Section 9, Township 33 North, Range 4 East, W.M.,

EXCEPT mineral rights reserved in deed executed by English Lumber Company, recorded February 8, 1938 under Auditor's File No. 299010, in Volume 174 of Deeds, page 60,

ALSO EXCEPT the following described portion of said Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$:

Beginning at the Northwest corner of said Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 9, Township 33 North, Range 4 East, W.M.; thence running Easterly along the North line of the described Section, 400 feet to a point; thence running Southerly parallel to the West line of said Section, a distance of 100 feet, said point being the point of beginning; thence Easterly, 208 feet; thence Southerly, 208 feet; thence Westerly, 208 feet; thence Northerly to the point of beginning,

ALSO EXCEPT the rights of Skagit County as established by documents recorded July 14, 1939 and August 4, 1939 as Auditor's File Nos. 315059 and 315687, respectively.

PARCEL "I":

Tract 2, Skagit County Short Plat No. 151-79, approved November 18, 1980, recorded November 18, 1980 in Volume 5 of Short Plats, page 2, under Auditor's File No. 8011180061, and being a portion of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 4, Township 33 North, Range 4 East, W.M.,

TOGETHER WITH that certain non-exclusive easement for ingress, egress and utilities over, across and under a 30 foot wide strip of land as established by document recorded as Auditor's File No. 200107160009,

ALSO TOGETHER WITH those certain non-exclusive easements for ingress, egress and utilities over, across and under those certain strips of land as established by document recorded as Auditor's File No. 200107160010 as modified by documents recorded as Auditor's File Nos. 200207120068 and 200210290135,

ALSO TOGETHER WITH that certain non-exclusive easement for ingress, egress and utilities over, across and under that certain strip of land as established by document recorded as Auditor's File No. 200210290136.

PARCEL "K":

The Northwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 9, Township 33 North, Range 4 East, W.M.,

EXCEPT county road and ditch rights-of-way; and

EXCEPT the rights of Skagit County established by documents recorded July 14, 1939 and August 4, 1939 as Auditor's File Nos. 315059 and 315687, respectively,

ALSO EXCEPTING that part thereof described as follows:

Beginning at the Southeast corner of said Northwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$; thence West 636 feet; thence North 280.5 feet; thence East 5 rods; thence North 40 feet; thence East 553.5 feet; thence South to the point of beginning;

ALSO EXCEPT the North 40 feet of the West 980 feet thereof sold on contract to Diking District No. 3 of Skagit County by contract dated July 21, 1950, recorded September 5, 1950, under Auditor's File No. 450482;

ALSO EXCEPT that portion thereof conveyed to Robert H. Benson, by deed recorded February 7, 2005 as Auditor's File No. 200502070149.

PARCEL "L":

That portion of the Northwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 9, Township 33 North, Range 4 East, W.M., described as follows:

Begin at a point on the East line of said subdivision at a point lying 420.5 feet North of the Southeast corner of said subdivision; thence continue North along said East line a distance of 208.7 feet; thence West at a right angle to said East line a distance of 208.7 feet; thence South parallel with said East line a distance of 208.7 feet; thence East at right angles to said East line a distance of 208.7 feet to the point of beginning;

TOGETHER WITH a non-exclusive 20 foot wide easement for ingress and egress centered upon an existing driveway running North from the above described main tract to the Southerly end of that certain strip of land conveyed to the Pacific Nickel Company by deed dated January 31, 1939 and recorded August 1, 1939 in Volume 177 of Deeds, page 466 as Auditor's File No. 315564.



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Exhibit "A"

PARCEL "M":

The North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 9, Township 33 North, Range 4 East, W.M., EXCEPT rights-of-way, if any, of Diking District No. 3 and Skagit County.

PARCEL "N":

The South $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 9, Township 33 North, Range 4 East, W.M., EXCEPT rights-of-way, if any, of Diking District No. 3 and Skagit County; ALSO EXCEPT the following described portion thereof:

Beginning at the Southeast corner of said subdivision; thence North 100 feet; thence West 28 rods; thence South 83.5 feet; thence West to the right-of-way of the dike of the grantee; thence South one rod; thence East to the place of beginning.



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