

When recorded mail to:
First American Title Insurance
Lenders Advantage
1100 Superior Avenue, Suite 200
Cleveland, Ohio 44114
Attn: Recording Coordinators

ton



200702020131
Skagit County Auditor

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Tax Parcel No: P103600
Title Order No: WILD
Reference No: 325.0000153821.02

DEED OF TRUST

THIS DEED OF TRUST, made this 23rd day of January, 2007, between
GRANTOR(S) CATHI L. CHARD AND DENNIS W. CHARD, JR., WIFE AND HUSBAND
18537 SOUTH WEST VIEW ROAD MOUNT VERNON, WA 98274

FIRST AMERICAN TITLE CO.



11224283

TRUSTEE(S) TRUSTEE SERVICES, INC.
PO BOX 2980 SILVERDALE WA 98383

Wild
ACCOMMODATION RECORDING ONLY

and School Employees Credit Union of Washington, Beneficiary, whose address is:
325 Eastlake Avenue East, Seattle WA 98109-5466.

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

ABBRV. LEGAL:

LOTS 12-14 BLK 3 PLAT OF RESERVE ADD TO THE TOWN OF MONTBORNE

which real property is not used principally for agriculture 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 the Grantor herein contained, and payment of the sum of Thirty Thousand Three Hundred Ninety-Eight and 00/100 DOLLARS

Dollars (\$30,398.00) 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 conveys 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, regulation, 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 building 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 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 proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the 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 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.

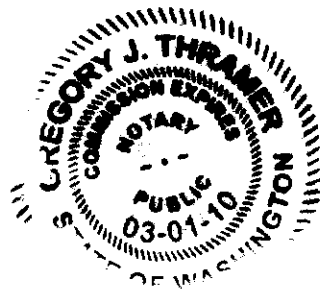
(continued on reverse side)

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 thereof as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to such 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 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 or Trustee's authorized agent shall sell the trust property, in accordance with the Deed of Trust Act of the state of Washington (as amended) 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 or shall be deposited (less clerk's filing fee) with the clerk of the superior court of the county in which the sale takes place.
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchase the interest in the property which Grantor has 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 and conclusive evidence thereof in favor of bonafide purchasers 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 shall 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 applied to, insures to the benefit of and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, successors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

X

X



STATE OF WASHINGTON
COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that DENNIS AND CATHI CHARD
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 the instrument.

Dated 1/29/07

Gregory J. Thramer
Notary Public
My appointment expires 03-01-10

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 _____

School Employees Credit Union of Washington

By _____
Financial Management Representative

Mail reconveyance to



200702020131
Skagit County Auditor

EXHIBIT A

PARCEL A:

LOTS 12 THROUGH 14, BLOCK 3, PLAT OF RESERVE ADDITION TO THE TOWN OF MONTBORNE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS, PAGE 59, RECORDS OF SKAGIT COUNTY, WASHINGTON.

PARCEL B:

THAT PORTION OF THE 100 FOOT WIDE RAILROAD RIGHT-OF-WAY, COMMONLY KNOWN AS THE NORTHERN PACIFIC RAILWAY (AND ORIGINALLY CONVEYED TO THE SEATTLE LAKE SHORE AND EASTERN RAILWAY) LYING EASTERLY OF LINE "RR" DESCRIBED BELOW, AND BETWEEN THE SOUTHWESTERLY EXTENSION OF THE NORTHWESTERLY LINE OF SAID LOT 12, BLOCK 3, OF SAID PLAT AND THE SOUTHWESTERLY EXTENSION OF THE SOUTHEASTERLY LINE OF LOT 14, BLOCK 3, OF SAID PLAT.

LINE "RR":

BEGINNING AT A POINT ON THE NORTH LINE OF THE SOUTH HALF OF GOVERNMENT LOT 6 OF SECTION 6, TOWNSHIP 33 NORTH, RANGE 5 EAST OF THE WILLAMETTE MERIDIAN, WHICH IS MIDWAY BETWEEN THE CENTERLINE OF THE ORIGINAL 100 FOOT WIDE RIGHT-OF-WAY OF THE SEATTLE LAKE SHORE AND EASTERN RAILWAY AND THE CENTERLINE OF THE LAST MAINLINE TRACK OF THE NORTHERN PACIFIC RAILWAY AS IT EXISTED IN 1970;

THENCE NORTHERLY ON A LINE DRAWN MIDWAY BETWEEN THE CENTERLINE OF THE ORIGINAL 100 FOOT WIDE RIGHT-OF-WAY AND THE CENTERLINE OF THE ABOVE DESCRIBED MAINLINE TRACK TO THE POINT INTERSECTION OF SAID CENTER LINES, SAID POINT BEING THE TERMINUS OF THIS LINE DESCRIPTION.

PARCEL C:

11224283



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Skagit County Auditor

EXHIBIT A
(continued)

AN EASEMENT FOR INGRESS, EGRESS, AND UTILITIES OVER, UNDER, AND THROUGH THE PROPERTY ACQUIRED BY CHARLES K. NOYES DESCRIBED IN PARCEL NO. 69, SKAGIT COUNTY SUPERIOR COURT CAUSE NO. 91-2-0007-3, JUDGEMENT AND DECREE QUIETING TITLE, RECORDS OF SKAGIT COUNTY, WASHINGTON;

EXCEPT ANY PORTION THEREOF LYING WITHIN THAT CERTAIN 40 FOOT ROADWAY CONVEYED TO SKAGIT COUNTY BY DEED DATED OCTOBER 9, 1946, UNDER AUDITOR'S FILE NO. 397033, RECORDS OF SKAGIT COUNTY, WASHINGTON;

TOGETHER WITH AN EASEMENT FOR INGRESS, EGRESS, AND UTILITIES OVER, UNDER, AND THROUGH THE FOLLOWING DESCRIBED PROPERTY:

BEGINNING AT THE MOST SOUTHERLY CORNER OF LOT 11, BLOCK 3, PLAT OF RESERVE ADDITION TO THE TOWN OF MONTBORNE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS, PAGE 59, RECORDS OF SKAGIT COUNTY, WASHINGTON;
THENCE NORTHWESTERLY ALONG THE SOUTHWESTERLYLINE OF SAID LOT 11 A DISTANCE OF 30 FEET;
THENCE NORTHWESTERLY A DISTANCE OF 39.96 FEET THE MOST NORTHERLY CORNER OF THE HEREINABOVE DESCRIBED PARCEL NO. 69;

THENCE SOUTHEASTERLY ALONG LINE "RR" DESCRIBED IN THE ABOVE MENTIONED SUPERIOR COURT CAUSE A DISTANCE OF 58.88 FEET TO ITS INTERSECTION WITH THE SOUTHWESTERLY EXTENSION OF THE SOUTHEASTERLY LINE OF SAID LOT 11;
THENCE NORTHEASTERLY ALONG SAID EXTENSION TO THE POINT OF BEGINNING.

SITUATED IN THE COUNTY OF SKAGIT AND STATE OF WASHINGTON.

ABBRV. LEGAL:

LOTS 12-14 BLK 3 PLAT OF RESERVE ADD TO THE TOWN OF MONTBORNE

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EXHIBIT A
(continued)

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Permanent Parcel Number: P103600

CATHI L. CHARD AND DENNIS W. CHARD, JR., WIFE AND HUSBAND

18537 SOUTH WEST VIEW ROAD, MOUNT VERNON WA 98274

Loan Reference Number : 153821

First American Order No: 11224283

Identifier: L/FIRST AMERICAN LENDERS ADVANTAGE



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