

WHEN RECORDED RETURN TO:

BREWE LAYMAN P.S.
Attorneys at Law
P. O. Box 488
Everett, WA 98206-04



200705310155
Skagit County Auditor

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DEED OF TRUST

This Deed of Trust made this ___ day of May 2007, between Warren Williams and Katrina Williams, husband and wife, Grantors, First American Title Insurance Company of Skagit County, Trustee, and Tania Carlson, Beneficiary.

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

ACREAGE ACCOUNT, ACRES 31.04, O/S#5 AF#800393 1975 LOT 1 SHORT PLAT#PL00-0744 APPROVED MARCH 26, 2002 UNDER AUDITOR'S FILE NO. 200203260117, RECORDS OF SKAGIT COUNTY, WASHINGTON, BEING A PORTION OF THE WEST ½ OF THE SE ¼ OF SECTION 29, TOWNSHIP 33 NORTH, RANGE 4 EAST, W.M.

Assessor's Parcel No.: P119001

Which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditament 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 TWENTY THOUSAND (\$20,000.00) and No/100 Dollars with interest in accordance with the terms of a promissory note of even date herewith payable to Beneficiaries 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 Beneficiaries 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, 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 improvements being built or about to be built thereon, to restore promptly any building, structure or improvements 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 thereafter erected on the property described herein continuously insured against loss by fire or other hazard 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 disclosure, 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 connections 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 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 of 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 their execution of this Deed of Trust, and such as they 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 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 Deed of Trust or of an action or proceeding in which Grantors, Trustee, or Beneficiaries shall be a party unless such action or proceeding is brought by the Trustee.



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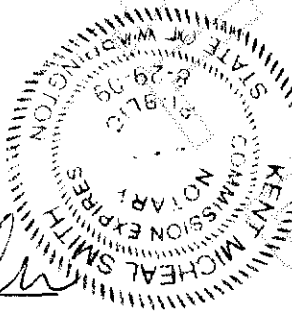
- 8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, and assigns. The term beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as beneficiary herein.
- 9. Beneficiary has the right to make lesser payments to the lessor of the hereindescribed property if the Grantor fails to timely do so. Such payments if made shall be added to the total balance secured by this Deed of Trust.



 WARREN WILLIAMS


State of Washington)
) ss.
 County of Snohomish

I certify that I know or have satisfactory evidence that Warren Williams is the person who appeared before me, and said person acknowledged that he signed this instrument, and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 5/23/07



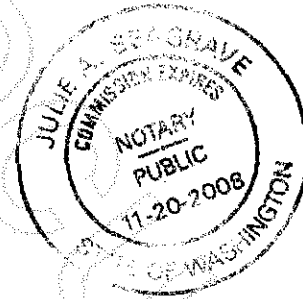

 Kent Michael Smith
 Notary Public in and for the State of
 Washington, residing in Snohomish County
 My appointment expires 08/29/09

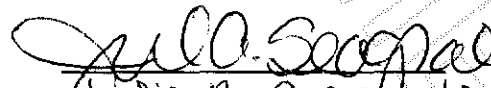

 KATRINA WILLIAMS

State of Washington)
) ss.
 County of)

I certify that I know or have satisfactory evidence that Katrina Williams is the person who appeared before me, and said person acknowledged that she signed this instrument, and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 5/21/07




 Julie A. Seagrave
 Notary Public in and for the State of
 Washington, residing in Everett
 My appointment expires 11-20-08



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