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AFTER RECORDING MAIL TO:

Marc Anglin and Corrine Anglin
29732 Heimer Road
Arlington, WA 98223

LAND TITLE OF SKAGIT COUNTY

126338-8

Space above this line for Recorders use only

Filed for Record at Request of:
First American Title Insurance Company

DEED OF TRUST

(For use in the State of Washington only)

File No: **4202-1065461 (SA)** Date: **June 27, 2007**

Grantor(s): **Michael Nelson and Michelle Nelson, husband and wife**
Grantee(s): **Marc Anglin and Corrine Anglin**
Trustee: **First American Title Insurance Company, a Corporation**
Abbreviated Legal: **PTN SW 1/4 OF SE 1/4, 32-34-4 E WM.**
Additional Legal on page: **1**
Assessor's tax parcel/Account Nos: **340432-0-061-0004 P29423 and 340432-4-011-0106 P29628**

THIS DEED OF TRUST, made this **Twenty-seventh day of June, 2007**, between **Michael Nelson and Michelle Nelson, husband and wife**, as GRANTOR(S), whose address is **19310 Arbor Lane, Mount Vernon, WA 98274**, and **First American Title Insurance Company, a Corporation** , as TRUSTEE, whose address is **401 Parkplace Center, Ste 100, Kirkland, WA 98033**, and **Marc Anglin and Corrine Anglin**, as BENEFICIARY, whose address is **29732 Heimer Road, Arlington, WA 98223**.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s) and convey(s) to Trustee in trust, with power of sale, the following described property in **Skagit** County, **Washington**:

PLEASE SEE ATTACHED LEGAL DESCRIPTION SCHEDULE "A-1" ATTACHED HERETO AND INCORPORATED HEREIN

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 Grantor(s) herein contained, and payment of the sum of **seventy nine thousand three hundred dollars ($79,300.00)** with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor(s), and all renewals, modifications, and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of his/her/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(s) covenant(s) and agree(s):

1. To keep said 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 hereon 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(s). 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(s) 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 satute.

6. Should Grantor(s) 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:

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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 Grantor(s) 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 Grantor(s) 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 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 Grantor(s) had or had the power to convey at the time of his/her/their execution of this Deed of Trust, and such as he/she/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 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.

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 an action or proceeding in which Grantor(s), 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 his/her/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.

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Michael Nelson

Michael Nelson

Michelle Nelson

Michelle Nelson

STATE OF Washington)
)-ss
COUNTY OF King)

I certify that I know or have satisfactory evidence that **Michael Nelson and Michelle Nelson**, is/are the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument and acknowledged it to be his/her/their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 6/28/07

Shelly R. Agnew
Notary Public in and for the State of Washington
Residing at: Monroe
My appointment expires: 2/10/08

SHELLY R. AGNEW
MY COMMISSION EXPIRES
NOTARY
PUBLIC
2-10-2008
STATE OF WASHINGTON

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(Do Not Record)

REQUEST FOR FULL RECONVEYANCE

To be used only when all obligations have been paid under the Note and this Deed of Trust.

To: TRUSTEE

The undersigned is the legal owner and holder of the note and all 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.

Mail Reconveyance to: Dated: _____

_____ By_____

_____ By_____

_____ By_____

_____ By_____

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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Schedule "A-1"

126338-P

Read, Accepted & Approved

DESCRIPTION:

PARCEL "A":

That portion of the West ½ of the Northeast ¼ of the Southwest ¼ of the Southeast ¼ of Section 32, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the Southwest corner of the Northeast ¼ of the Southwest ¼ of the Southeast ¼ of said Section 32;
thence North 89°30'21" East along the South line of said subdivision, a distance of 40.00 feet;
thence North 0°00'21" East along a line which is parallel to and 40.00 feet Easterly of the West line of said subdivision a distance of 120.00 feet;
thence North 89°30'21" East a distance of 110.37 feet;
thence South 0°01'45" East a distance of 120.00 feet to the South line of said Northeast ¼ of the Southwest ¼ of the Southeast ¼ of Section 32;
thence South 89°30'21" West a distance of 110.44 feet along the South line of said subdivision to the point of beginning.

TOGETHER WITH an easement for road purposes over the following described property:

That portion of the Northwest ¼ of the Southwest ¼ of the Southeast ¼ of Section 32, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the Southeast corner of the Northwest ¼ of the Southwest ¼ of the Southeast ¼ of said Section 32;
thence North 0°00°21" East along the East line of the Northwest ¼ of the Southwest ¼ of the Southeast ¼, a distance of 22.81 feet to the Northeasterly line of the Blodgett Road and the true point of beginning;
thence continue North 0°00'21" East along the East line of said Northwest ¼ of the Southwest ¼ of the Southeast ¼ a distance of 17.19 feet;
thence West parallel to the South line of said Northwest ¼ of the Southwest ¼ of the Southeast ¼ to the Northeasterly line of the Blodgett Road;
thence Southeasterly along the Northeasterly line of the Blodgett Road to the true point of beginning.

ALSO TOGETHER WITH a non-exclusive easement over and across a strip of land to be used for road purposes 40 feet in width lying 20 feet on each side of the following described center line:

Beginning at the Southwest corner of the Southwest ¼ of the Northeast ¼ of the Southwest ¼ of the Southeast ¼ of Section 32, Township 34 North, Range 4 East, W.M;
thence North 89°30'21" East along the South line of said subdivision, a distance of 20.00 feet to the true point of beginning of this center line description;
thence North 0°00'21" East along a line which is parallel to and 20 feet Easterly of the West line of said subdivision, a distance of 120.00 feet.

Situate in the County of Skagit, State of Washington.

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Schedule "A-1" 126338-P

DESCRIPTION CONTINUED:

PARCEL "B":

That portion of the West ½ of the Northeast ¼ of the Southwest ¼ of the Southeast ¼ of Section 32, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the Southwest corner of said subdivision;
thence North 89°30'21" East along the South line of said subdivision, a distance of 40 feet;
thence North 0°00'21" East along a line which is parallel to and 40 feet Easterly of the West line of said subdivision a distance of 120 feet to the true point of beginning;
thence North 89°30'21" East a distance of 110.37 feet;
thence North 0°01'45" West a distance of 25 feet;
thence South 89°30'21" West a distance of 110.37 feet, more or less, to a point 40 feet East of the West line of said subdivision;
thence South 0°00'21" West along said line which is parallel to and 40 feet East of said West line of said subdivision a distance of 25 feet, more or less, to the true point of beginning.

Situate in the County of Skagit, State of Washington.

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