

AFTER RECORDING RETURN TO:

Robert Rudine & Janet Yoder
3125 Eastlake Ave. East, Suite B
Seattle, WA 98102



200808150024

Skagit County Auditor

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DEED OF TRUST

GRANTOR: R. PHILIP PERRY & SUSAN F. PERRY

GRANTEE: ROBERT C. RUDINE & JANET L. YODER

LEGAL DESCRIPTION: Unit 108, ROCKSIDE HOMES LA CONNER,
CONDOMINIUM NO. 1, Skagit County.

ASSESSOR'S PROPERTY TAX PARCEL NO.: 4396-000-108-0005

THIS DEED OF TRUST made this 15th day of August, 2008, between R. PHILLIP PERRY and SUSAN F. PERRY, husband and wife, GRANTOR, whose address is P.O. Box 114, LaConner, Wa 98257; RAYMOND J. WALTERS, Attorney at Law, Trustee, whose address is 9728 Greenwood Ave. North, Suite A, Seattle, WA 98103; and ROBERT C. RUDINE and JANET L. YODER, husband and wife, Beneficiary, whose address is 3125 Eastlake Ave. East, Suite B, Seattle, WA 98102.

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

Unit 108, ROCKSIDE HOMES LACONNER, CONDOMINIUM NO. 1, according to Declaration thereof recorded April 19, 1979, under Auditor's File No. 7904190003 And Survey Map and Plans thereof recorded in Volume 12 of Plats, pages 52 through 55, records of Skagit County, Washington; being a portion of Lots 1 through 3 and 10 through 14, Block F, Map of LaConner, according to the plat thereof recorded in Volume 2 of Plats, page 49, records of Skagit County, Washington;

TOGETHER WITH a nonexclusive and exclusive use of an access to the Common Areas and Limited Common Areas, as set forth in Articles 4, 5, 6, 10 and 19 of said declaration.

Situated in Skagit County, Washington.

Which 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 way appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of grantor contained herein, and the payment of the sum of One Hundred Forty Five Thousand Five Hundred Dollars (\$145,500.00) with interest, in accordance with the terms of the PROMISSORY NOTE dated August 15, 2008, 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 thereto at such rate as shall be agreed upon. This deed of trust, and the promissory note which it secures, may not be assumed without the beneficiaries written permission.

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 improvement being 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; and not to allow the accumulation of junk cars or trash on 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 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 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 proceeding purporting to affect the security hereof or the rights or powers of the 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.



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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.

7. This property may not be sold, transferred or further encumbered. Breach of this provision will result in all sums secured by this Deed of Trust becoming immediately due and payable.

IT IS MUTUALLY AGREED THAT:

1. In the event that 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 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. 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 its authorized agent 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 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.

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 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,



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REQUEST FOR FULL RECONVEYANCE

Do not record, To be used only when note has been paid.

TO THE 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 evidence of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to convey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____



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