

WHEN RECORDED RETURN TO:

Morrow Construction LLC
2210 Riverside Dr. #200
Mount Vernon, WA 98273



200909290043

Skagit County Auditor

9/29/2009 Page

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6 11:23AM

DEED OF TRUST

(For Use in the State of Washington Only)

THIS DEED OF TRUST, made this 19th day of January, 2009, between and among the following:

GRANTOR: Jonathan Rothschild, an individual, GRANTOR, whose address is 1800 S Bakerview Court, Mount Vernon, WA 98274; and

TRUSTEE: LINVILLE LAW FIRM, PLLC, a professional limited liability company, TRUSTEE, whose address is 800 5th Avenue, Suite 3850, Seattle, WA 98104; and for the benefit of

GRANTEE/BENEFICIARY: Morrow Construction LLC., a Washington corporation, whose address is 2210 Riverside Drive, Ste 200, Mount Vernon, WA 98273.

GRANTOR hereby irrevocably grants, transfers, conveys and assigns to TRUSTEE, in trust with all power of sale all of GRANTOR'S present and future estate, right, title, claim and interest, either in law or in equity, in and to the Property as herein described, located in Whatcom County, Washington, the legal description of the real property which is as follows:

Address: 1800 S Bakerview Court, Mount Vernon, WA 98274;

Legal Description SEE ATTACH EXHIBIT "A" Lt 172 Eaglemont Ph 1B etal
Tax Account Number: P124081

TO SECURE THE FOLLOWING:

This deed is for the purpose of securing performance of each agreement of grantor herein contained, and payment of the principal sum of **Ten Thousand Dollars and 00/100 Dollars (\$10,000.00)** in accordance with the terms of the Promissory Note of even date herewith, payable to the 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 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 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 Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. 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 against 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 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.

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 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 even 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 sales 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.
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



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 said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate not held by you thereunder.

DATED this _____ day of _____, 2008.

By: _____
Name: _____
Date: _____



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“Exhibit A”

Lot 172, “PLAT OF EAGLEMONT PHASE 1B, DIVISION NOS. 5 AND 6”, according to the plat thereof recorded January 10, 2006, under Auditor’s File No. 200601100170, Skagit County, Washington.



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Skagit County Auditor