



201105050076  
Skagit County Auditor

5/5/2011 Page 1 of 14 3:36PM

When Recorded Return to:

HILLIS CLARK MARTIN & PETERSON P.S.

Attn: Julie B. Hamilton

1221 Second Avenue, Suite 500

Seattle, WA 98101-2925

101246 101247  
101250 101252  
101251  
101248  
101249

Trustee No. 15419.122.23/JBH

101246  
GUARDIAN NORTHWEST TITLE CO.

**NOTICE OF TRUSTEE'S SALE**

Pursuant to the Revised Code of Washington  
Chapter 61.24, et seq.

<b>Grantor(s):</b>	Hillis Clark Martin & Peterson P.S., Successor Trustee
	Washington Federal Savings
<b>Grantee(s):</b>	Chaffey Homes Incorporated Chaffey North, LLC
<b>Legal Description (abbreviated)*:</b>	LOTS 1, 2, 4 - 13, 15 - 25, THE WOODS AT SUNSET COVE; LOT 4, BLOCK 9, LOTS 2 THROUGH 5, BLOCK 10, PLAT OF WOOD'S ADDITION TO ANACORTES; LOTS 1, 2, 4, 5, 6, 11, 20, 24, 25, 26, 27, 28 AND 29 BAY MEADOWS, REC. 200511280180; LOTS 123, 125, 133, 135 AND 136, NOOKACHAMP HILLS PUD, PHASE IIB
	<input checked="" type="checkbox"/> Complete legal on <u>EXHIBIT A</u>
<b>Assessor's Parcel No(s):</b>	49410000010000; 49410000020000; 49410000040000; 49410000050000; 49410000060000; 49410000070000; 49410000080000; 49410000090000; 49410000100000;...
	<input checked="" type="checkbox"/> Complete list of parcel numbers on <u>EXHIBIT B</u>
<b>Reference No. of Related Documents:</b>	200909300091
*The Assessor's Parcel Number and Abbreviated Legal Description are provided solely to comply with the recording statutes and are not intended to supplement, amend or supersede the Property's full legal description provided herein.	

I.

NOTICE IS HEREBY GIVEN that the undersigned successor trustee will, on **August 5, 2011**, at the hour of **11:00 a.m.**, at the **main entrance of Skagit County Courthouse, located at 205 West Kincaid, Mount Vernon, Washington**, sell at public auction to the highest and best bidder, payable at time of sale, the following property (collectively, the **"Property"**):

- (i) the real property, situated in the County of Skagit, State of Washington legally described on EXHIBIT A, attached hereto (the **"Real Property"**); and
- (ii) the personal property and fixtures located on the Real Property or otherwise related thereto, as legally described on EXHIBIT C, attached hereto (the **"Personal Property"**).

which Property is subject to (a) that certain Deed of Trust, Assignment of Rents, Security Agreement, and Fixture Filing from CHAFFEY HOMES INCORPORATED a Washington corporation, and CHAFFEY NORTH, LLC, a Washington limited liability company, as grantor, (collectively, **"Grantor"**), to Washington Services, Inc., as trustee, to secure an obligation in favor of WASHINGTON FEDERAL SAVINGS, as beneficiary, (**"Beneficiary"**), dated September 1, 2009, and recorded on September 30, 2009, under Recording No. 200909300091, records of Skagit County, Washington, (the **"Deed of Trust"**), and (b) a UCC Financing Statement filed with the Washington State Department of Licensing under File No. 2011-067-8537-6 (**"UCC Filing"**), which perfects the security interest in Personal Property in accordance with the security agreement and fixture filing that is included within the Deed of Trust (the **"Security Agreement"**).

The Deed of Trust was granted to secure a promissory note made by Beneficiary to CHAFFEY HOMES INCORPORATED (**"Chaffey Homes"**) and CHAFFEY ARIZONA, INC. (**"Chaffey Arizona"**), dated September 1, 2009, in the original principal amount of \$6,398,121.00 (the **"Loan"**). Chaffey Homes and Chaffey Arizona are collectively referred to herein, as **"Borrower"**.

Hillis Clark Martin & Peterson P.S., is now **"Successor Trustee"** by reason of an Appointment of Successor Trustee recorded concurrently herewith in the records of Skagit County, Washington.



II.

No action commenced by the Beneficiary of the Deed of Trust and the secured party under the Security Agreement, or the Beneficiary's successor is now pending to seek satisfaction of the obligation in any Court by reason of the borrower's or Grantor's default on the obligation secured by the Deed of Trust.

III.

The defaults for which this foreclosure is made are as follows:

- (1) Failure to make those payments set for on EXHIBIT D attached hereto under the various loans from Beneficiary to entities affiliated with Borrower (the "**Related Loans**") that are cross-defaulted with the Loan;
- (2) Failure to pay when due the real property taxes for the Property; and
- (3) Failure to keep the Property free and clear of liens and encumbrances not agreed to by Beneficiary.

An itemized summary of the amounts that are now in arrears (\$26,326,769.53) is set forth on EXHIBIT D attached hereto.

IV.

The sum owing on the Loan, which is secured by the Deed of Trust and Security Agreement is: Principal balance, \$6,138,760.00, together with interest as provided in the note or other instrument secured from March 9, 2011, and such other costs and fees as are due under the Note or other instrument secured, and as are provided by statute.

V.

The Property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust and Security Agreement as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on August 5, 2011. The defaults referred to in paragraph III must be cured by July 25, 2011 (11 days before the sale) to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before July 25, 2011 (11 days before the sale date) the default as set forth in paragraph III is cured and the Successor Trustee's fees and costs are paid. The sale may be terminated any time after July 25, 2011 (11 days before the sale) and before the sale by the Borrower, Grantor, any Guarantor (defined below), or the holder of any recorded junior lien or encumbrance paying the entire principal and interest owing on the Loan, plus costs,



fees, and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.

VI.

A written notice of default was transmitted by the Beneficiary or Successor Trustee to the Borrower, Grantor, and Guarantors at the following address(es):

Chaffey Homes Incorporated  
ATTN: Carina Shively, Registered Agent  
205 Lake Street South, Suite 101  
PO Box 560  
Kirkland, WA 98083

Chaffey Customs, LLC  
ATTN: Rick Chaffey, Registered Agent  
205 Lake Street South, Suite 101  
PO Box 560  
Kirkland, WA 98083

Lake Shore Estates, LLC  
ATTN: Jerold T. Everard,  
Registered Agent  
300 East Pine Street, Suite 300  
Seattle, WA 98122

Aspen Grove Homes, LLC  
ATTN: Jerold T. Everard,  
Registered Agent  
300 East Pine Street, Suite 300  
Seattle, WA 98122

Clear Creek Estates, LLC  
ATTN: Jerold T. Everard,  
Registered Agent  
300 East Pine Street, Suite 300  
Seattle, WA 98122

Hawkstone Homes, LLC  
ATTN: Michael J. Murphy,  
Registered Agent  
300 East Pine Street, Suite 300  
Seattle, WA 98122

Chaffey East, LLC  
ATTN: Jerold T. Everard,  
Registered Agent  
300 East Pine Street, Suite 300  
Seattle, WA 98122

Chaffey North, LLC  
ATTN: David C. Groff,  
Registered Agent  
300 East Pine Street, Suite 300  
Seattle, WA 98122

Chaffey Arizona, Inc.  
ATTN: Jerold T. Everard,  
Registered Agent  
300 East Pine Street, Suite 300  
Seattle, WA 98122

John Rizzarda  
Cairncross & Hempelmann  
524 Second Avenue, Suite 500  
Seattle, WA 98104-2323

by both first class and certified mail on March 9, 2011, proof of which is in the possession of the Successor Trustee; and the Borrower and Grantor were personally served on March 10, 2011, with said written notice of default or the written notice of



default was posted in a conspicuous place on the Property described in paragraph I above, and the Successor Trustee has possession of proof of such service or posting.

VII.

The Successor Trustee whose name and address are set forth below will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Borrower, Grantor and all those who hold by, through or under the Borrower or Grantor of all their interest in the Property.

IX.

Anyone having any objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the trustee's sale.

X.

SPECIAL NOTICE TO GUARANTORS

If any of the parties receiving this notice are guarantors of the obligations referenced above, each such guarantor (individually and collectively, "**Guarantor**") is hereby notified that: (1) Guarantor may be liable for a deficiency judgment to the extent the sale price obtained at the trustee's sale is less than the debt secured by the Deed of Trust; (2) Guarantor has the same rights to reinstate the debt, cure the default, or repay the debt as is given to the grantor in order to avoid any trustee's sale; (3) Guarantor will have no right to redeem the Property after the trustee's sale; (4) subject to such longer periods as are provided in the Washington deed of trust act, chapter 61.24 RCW, any action brought to enforce a guaranty must be commenced within one year after the trustee's sale, or the last trustee's sale under any deed of trust granted to secure the obligations referenced above; and (5) in any action for a deficiency, Guarantor will have the right to establish the fair value of the Property as of the date of the trustee's sale, less prior liens and encumbrances, and to limit its liability for a deficiency to the difference between the debt and the greater of such fair value or the sale price paid at the trustee's sale, plus interest and costs.



XI.

NOTICE TO OCCUPANTS OR TENANTS

The purchaser at the trustee's sale is entitled to possession of the Property on the 20th day following the sale, as against the grantor under the Deed of Trust (the owner) and anyone having an interest junior to the Deed of Trust, including occupants who are not tenants. After the 20th day following the sale the purchaser has the right to evict occupants who are not tenants by summary proceedings under chapter 59.12 RCW. For tenant-occupied property, the purchaser shall provide a tenant with written notice in accordance with RCW 61.24.060 and the Helping Families Save Their Homes Act of 2009.

XII.

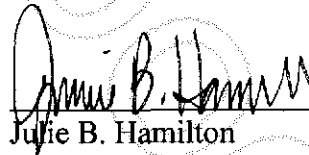
THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Sale status may be accessed at <http://ts.hcmp.com>.

DATED this 3rd day of May, 2011.

HILLIS CLARK MARTIN & PETERSON P.S.

By

  
Julie B. Hamilton

Successor Trustee  
1221 Second Avenue, Suite 500  
Seattle, Washington 98101-2925  
Telephone: (206) 623-1745



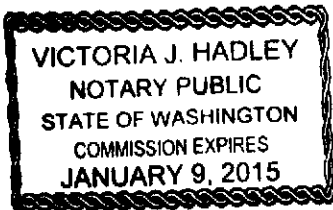
STATE OF WASHINGTON

COUNTY OF KING

} ss.

I certify that I know or have satisfactory evidence that JULIE B.HAMILTON is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as the representative of HILLIS CLARK MARTIN & PETERSON P.S., a Washington professional services corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 3rd day of May, 2011.



*Victoria J. Hadley*

Printed Name: Victoria J. Hadley

NOTARY PUBLIC in and for the State of Washington,  
residing at Auburn, WA.

My Commission Expires 01/09/2015.



**EXHIBIT A**

**LEGAL DESCRIPTION OF REAL PROPERTY**

**PARCEL A:**

LOT 4, BLOCK 9, LOTS 2 THROUGH 5, INCLUSIVE, BLOCK 10, ALL IN PLAT OF PLAT OF WOOD'S ADDITION TO ANACORTES, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 4 OF PLATS, PAGE 35, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN SKAGIT COUNTY, WASHINGTON.

**PARCEL B:**

LOTS 1, 2, 4, 5, 6, 11 AND 20, "BAY MEADOWS", AS PER PLAT RECORDED ON NOVEMBER 28, 2005, UNDER AUDITOR'S FILE NO. 200511280180, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

**PARCEL C:**

LOTS 24, 25, 26, 27, AND 29, "BAY MEADOWS", AS PER PLAT RECORDED ON NOVEMBER 28, 2005, UNDER AUDITOR'S FILE NO. 200511280180, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

**PARCEL D:**

LOTS 123, 125, 133, 135 AND 136, "NOOKACHAMP HILLS PUD, PHASE 1B", AS PER PLAT RECORDED AUGUST 23, 2005, UNDER SKAGIT COUNTY AUDITOR'S FILE NO. 200508230082, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

**PARCEL E:**

LOT 28, "BAY MEADOWS", AS PER PLAT RECORDED ON NOVEMBER 28, 2005, UNDER AUDITOR'S FILE NO. 200511280180, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

**PARCEL F:**

TRACT 4 AND THE SOUTHEASTERLY 40 FEET OF TRACT 3, ANACO BEACH, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 5 OF PLATS, PAGE 4, RECORDS OF SKAGIT COUNTY, WASHINGTON;

ALSO THAT PORTION OF TRACTS 2 AND 3 OF PLAT NO. 3 OF TIDE & SHORE LANDS SECTION 27, TOWNSHIP 35 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN AS SHOWN ON THE OFFICIAL MAP THEREOF IN THE OFFICE OF THE STATE LAND COMMISSIONER AT OLYMPIA, WASHINGTON, LYING BETWEEN THE NORTHWESTERLY AND SOUTHEASTERLY LINES OF TRACT 4 OF AMACO BEACH, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 5 OF PLATS, PAGE 4, RECORDS OF SKAGIT COUNTY, WASHINGTON, PRODUCED WESTERLY;

SITUATED IN SKAGIT COUNTY, WASHINGTON.



(NOW KNOWN AS LOTS 1, 2 AND 3 AS DELINEATED ON CHAFFEY HOMES LLC 3 - LOT SHORT PLAT NO. 06-03, AS APPROVED ON OCTOBER 16, 2007 AND RECORDED ON OCTOBER 19, 2007, UNDER AUDITOR'S FILE NO. 200710190074, RECORDS OF SKAGIT COUNTY, WASHINGTON.)

**PARCEL G:**

LOTS 1, 2 AND 4 THROUGH 13, INCLUSIVE, AND LOTS 15 THROUGH 25, INCLUSIVE, OF SUNSET COVE, ACCORDING TO THE PLAT THEREOF, RECORDED C AUDITOR'S FILE NO. 200710170081, RECORDS OF SKAGIT COUNTY, WASH. SITUATED IN SKAGIT COUNTY, WASHINGTON.

101 246  
A



**EXHIBIT B**

**ASSESSOR'S PARCEL NUMBERS**

4941-000-001-0000 (P126708);  
4941-000-002-0000 (P126709);  
4941-000-004-0000 (P126711);  
4941-000-005-0000 (P126712);  
4941-000-006-0000 (P126713);  
4941-000-007-0000 (P126714);  
4941-000-008-0000 (P126715);  
4941-000-009-0000 (P126716);  
4941-000-010-0000 (P126717);  
4941-000-011-0000 (P126718);  
4941-000-012-0000 (P126719);  
4941-000-013-0000 (P126720);  
4941-000-015-0000 (P126722);  
4941-000-016-0000 (P126723);  
4941-000-017-0000 (P126724);  
4941-000-018-0000 (P126725);  
4941-000-019-0000 (P126726);  
4941-000-020-0000 (P126727);  
4941-000-021-0000 (P126728);  
4941-000-022-0000 (P126729);  
4941-000-023-0000 (P126730);  
4941-000-024-0000 (P126731);  
4941-000-025-0000 (P126732);  
3839-009-004-0008 (P60647);  
3839-010-005-0005 (P60655);  
4876-000-001-0000 (P123842);  
4876-000-002-0000 (P123844);  
4876-000-004-0000 (P123846);  
4876-000-005-0000 (P123847);  
4876-000-006-0000 (P123848);  
4876-000-011-0000 (P123853);  
4876-000-020-0000 (P123862);  
4876-000-024-0000 (P123866);  
4876-000-025-0000 (P123867);  
4876-000-026-0000 (P123868);  
4876-000-027-0000 (P123869);  
4876-000-028-0000 (P123870);  
4876-000-029-0000 (P123871);  
4868-000-123-0000 (P123216);  
4868-000-125-0000 (P123218);  
4868-000-133-0000 (P123226);  
4868-000-135-0000 (P123228);  
4868-000-136-0000 (P123229);  
3858-000-004-0200 (P126751);  
3858-000-004-0100 (P126750);  
3858-000-004-0003 (P61813);  
350127-0-023-0000 (P32376);



## EXHIBIT C

### LEGAL DESCRIPTION OF PERSONAL PROPERTY

The "**Personal Property**" includes the following-described property that relates to the real property described in EXHIBIT A. Any capitalized terms used but not defined in this EXHIBIT B have the same meanings ascribed to them in the Deed of Trust.

**A. Improvements.** All buildings, structures, and improvements now located or later to be constructed on the Property (the "**Improvements**");

**B. Leases and Licenses.** Subject to the terms of the Deeds of Trust, all existing and future leases, subleases, sub-tenancies, licenses, occupancy agreements, and concessions relating to the use and enjoyment of all or any part of the Property, written or oral, now in existence or hereafter arising, and extensions or renewals thereof, together with the right, power, and authority of Grantor to alter, modify or change the terms thereof or surrender, cancel or terminate the same, and any and all deposits, guaranties and other agreements relating to or made in connection with any of the foregoing;

**C. Goods, Materials, Fixtures, etc.** All goods, materials, supplies, chattels, furniture, appliances, furnishings, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Property, whether stored on the Property or elsewhere;

**D. Construction Materials and Equipment.** All building materials, equipment, work in process or other personal property of any kind, whether stored on the Property or elsewhere, that have been or later will be acquired for the purpose of being delivered to, incorporated into, or installed in or about the Property or Improvements;

**E. Grantor Funds.** All of Grantor's interest in and to the proceeds of the Secured Obligations, whether disbursed or not; all present and future monetary deposits given by Grantor to any public or private utility with respect to utility services furnished to the Property or Improvements; and all accounts maintained by Grantor with Beneficiary or any subsidiary or affiliate of Beneficiary, including, without limitation, any accounts established in connection with the Secured Obligations;

**F. Rent, Issues, and Profits.** Subject to the terms of the Deeds of Trust, all income, rents, security or similar deposits, revenues, issues, royalties, profits, leases, earnings, products and proceeds of the Property or Improvements, together with the right, power and authority to collect the same, including, without limitation, all rights to the payment of money, accounts, investment property, accounts receivable, reserves, deferred payments, refunds, cost savings, insurance or condemnation proceeds, payments and deposits, (including all earnest money sales deposits and all utility, tenant, escrow and security deposits), advanced payments of insurance premiums, ontract rights, development and use rights, governmental permits, fees, deposits and licenses, applications, architectural and engineering plans, specifications and drawings, as-built drawings, chattel paper, instruments, documents, notes, drafts, and letters of credit and related rights (other than letters of credit in favor of Beneficiary), that arise from or relate to construction on the Property or to any business now or later to be conducted on it or to the Property and Improvements, whether now due, past due, or to become due, generally including, without limitation, any proceeds from the sale of any lots comprising the Property and any Improvements constructed thereon, and any deposits on account thereof, and also all proceeds of the voluntary or



UNRECORDED  
involuntary conversion of any of the Property, Improvements, or the other property described above into cash or liquidated claims, including proceeds of all present and future insurance policies and all condemnation or eminent domain proceedings, and all causes of action and their proceeds for any damage or injury to the Property, Improvements, or the other property described above or any part thereof, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud, or concealment of a material fact;

**G. Contracts and Plans.** All contracts of every kind relating to development, construction, marketing, and sale of the Project, including, without limitation, any construction contracts and subcontracts, contracts with architects, engineers, and other service providers, supply contracts, consulting agreements, financing commitments and agreements, joint development agreements, service and maintenance agreements, marketing and listing agreements, lot reservation agreements, and purchase and sale agreements, and any other existing and future contracts of any kind relating to the Project, together with all deposits, escrows, payments, or other proceeds thereunder, as well as all existing and future amendments, modifications, and supplements thereof; and all designs, drawings, plans, specifications, trademarks, logos, and other work product prepared or to be prepared in connection with the development, construction, marketing, and sale of the Project, together with all existing and future amendments, modifications, and supplements thereof;

**H. Miscellaneous Personal Property.** Any and all personal property of any kind whatsoever, whether tangible or intangible, that is used or will be used in construction of, or is or will be placed upon or is derived from or used in any connection with the use, occupancy or enjoyment of, the Property or Improvements;

**I. Books and Records.** All books and records pertaining to any and all of the property described above, including records stored on computer readable media, and a limited sublicense to use the computer hardware or software necessary to access such records;

**J. Rights of Declarant.** All of Grantor's right, title and interest in and to any and all units, declarant rights, and any other rights relating to the Property or the Improvements, whether now existing or subsequently arising, under any and all covenants, conditions, restrictions, development agreements, laws or other agreements now existing or later enacted relating to the Property and Improvements, including, without limitation, those relating to condominiums;

**K. Proceeds.** All proceeds of, supporting obligations for, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.



**EXHIBIT D  
ARREARAGES UNDER LOANS**

Loan #	Principal Owed - 4/26/11	Interest Owed to 4/26/11	Total Arrearages on 4/26/11	Per Diem	Int Pd to	Maturity
<b>Chaffey Homes, Inc.</b>						
3109188	\$22,419.04	\$1,961.57	\$24,380.61	\$2.30	12/01/10	06/01/10
3232279	\$3,364,260.55	\$19,383.54	\$3,383,644.09	\$346.74	03/01/11	12/01/10
3127081	\$1,453,667.93	\$8,375.45	\$1,462,043.38	\$149.82	03/01/11	07/01/10
3184629	\$293,714.07	\$1,692.27	\$295,406.34	\$30.27	03/01/11	12/01/10
3150273	\$179,972.06	\$1,036.94	\$181,009.00	\$18.54	03/01/11	03/01/10
3169166	\$348,250.00	\$1,063.71	\$349,313.71	\$35.77	03/01/11	08/01/10
3205457	\$434,480.06	\$2,503.30	\$436,983.36	\$44.78	03/01/11	08/01/10
<b>Chaffey East, LLC</b>						
3105228	\$288,750.00	\$16,814.70	\$305,564.70	\$29.66	11/01/09	05/01/10
3104593	\$273,750.00	\$15,941.18	\$289,691.18	\$28.12	11/01/09	05/01/10
3104601	\$258,750.00	\$15,067.84	\$273,817.84	\$26.58	11/01/09	05/01/10
3110699	\$205,875.00	\$11,988.80	\$217,863.80	\$21.15	11/01/09	05/01/10
<b>Chaffey North LLC</b>						
3252186	\$627,389.73	\$3,614.76	\$631,004.49	\$64.66	03/01/11	04/01/10
3335478	\$602,852.25	\$3,473.39	\$606,325.64	\$62.13	03/01/11	04/01/10
3123890	\$367,041.20	\$2,114.74	\$369,155.94	\$37.82	03/01/11	06/01/10
3188026	\$73,072.28	\$421.02	\$73,493.30	\$7.53	03/01/11	04/01/10
3141223	\$1,008,813.66	\$5,812.38	\$1,014,626.04	\$103.97	03/01/11	08/01/10
<b>Chaffey Custom Homes LLC</b>						
3366572	\$89,361.02	\$2,654.62	\$92,015.64	\$9.18	11/01/10	12/01/10
3256104	\$562,950.00	\$32,758.90	\$595,708.90	\$57.83	11/01/09	08/01/10
<b>Lake Shore Estates LLC</b>						
3252350	\$2,335,921.96	\$14,357.25	\$2,350,279.21	\$256.86	03/01/11	01/01/10
3212420	\$788,091.39	\$19,101.03	\$807,192.42	\$86.36	09/01/10	01/01/10
3212453	\$792,583.33	\$27,682.16	\$820,265.49	\$86.85	06/01/10	01/01/10
<b>Hawkstone Homes LLC</b>						
3110566	\$2,470,144.39	\$14,231.99	\$2,484,376.38	\$254.59	03/01/11	10/01/10
3376266	\$129,244.75	\$744.66	\$129,989.41	\$13.32	03/01/11	12/01/10
3376274	\$356,613.69	\$10,311.49	\$366,925.18	\$36.63	07/01/10	12/01/10
3376282	\$129,167.00	\$744.21	\$129,911.21	\$13.31	03/01/11	12/01/10
<b>Aspen Grove Homes LLC</b>						
3179959	\$173,744.52	\$20,912.45	\$194,656.97	\$33.78	01/01/10	06/16/10
3376183	\$199,560.10	\$3,757.52	\$203,317.62	\$20.50	11/01/10	12/14/09
<b>Pamona LLC</b>						
3297033	\$195,602.96	\$4,121.88	\$199,724.84	\$20.09	11/01/10	04/01/10
3297058	\$186,539.36	\$4,047.88	\$190,587.24	\$19.16	11/01/10	04/01/10
<b>Chaffey Arizona Inc</b>						
3298999	\$999,681.43	\$5,759.77	\$1,005,441.20	\$103.03	03/01/11	04/01/10
3298973	\$482,483.59	\$2,779.88	\$485,263.47	\$49.72	03/01/11	04/01/10



201105050076  
Skagit County Auditor

**EXHIBIT D  
ARREARAGES UNDER LOANS**

Loan #	Principal Owed - 4/26/11	Interest Owed to 4/26/11	Total Arrearages on 4/26/11	Per Diem	Int Pd to	Maturity
<b>Chaffey Homes Incorporated &amp; Chaffey Arizona, Inc. - Draw Note</b>						
361071-4	\$6,138,760.00	\$81,850.13	\$6,220,610.13	\$1,705.21	03/09/11	08/31/14

Loan No.	Past Due			Per Diem	Int Pd to	Maturity
	Payments as of 4/26/11	Late charges as of 4/26/11	Total to Cure on 4/26/11			
<b>Park 34 LLC</b>						
256856-6	\$37,440.00	\$1,872.00	\$39,312.00	\$62.34	12/1/09	7/1/32
256857-4	\$40,032.00	\$2,001.60	\$42,033.60	\$66.64	12/1/09	7/1/32
256853-3	\$30,480.00	\$1,524.00	\$32,004.00	\$50.76	12/1/09	7/1/32
256855-8	\$21,744.00	\$1,087.20	\$22,831.20	\$36.23	12/1/09	7/1/32

<b>Total Arrearages as of 4/26/11:</b>	<b>\$26,326,769.53</b>
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Skagit County Auditor

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