



201106100042
Skagit County Auditor

6/10/2011 Page 1 of 5 11:27AM

WHEN RECORDED RETURN TO

Name Cecilia Gallagher & Allen Nicholson

Address P.O. Box 231

City, State, Zip Dragoon, AZ 85609



Land Title Company

FILED FOR RECORD AT REQUEST OF

Deed of Trust

(For Use in the State of Washington Only)

THIS DEED OF TRUST, made this 8th day of June, 2011, between Queens Plate Development, GRANTOR, whose address is 310 Cascade Place Box 314 Burlington, WA 98233, LAND TITLE COMPANY OF SKAGIT COUNTY, a corporation, TRUSTEE, whose address is P.O. Box 445, Burlington, Washington, and Cecilia Gallagher and Allen Nicholson, BENEFICIARY, whose address is P.O. Box 231 Dragoon, AZ 85609, WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

The Real Property or its address is commonly known as 320, 340, 360, and 333, and 310/314 Cascade Place, Burlington Wa 98233.
The Real Property tax identification number is P108344.

*See exhibit "A"

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 herein contained, and payment of the sum of Three million, five hundred thousand and 00/100 Dollars (\$ 3,500,000) with interest, in accordance with the terms of a promissory note of even date 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 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. 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 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 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 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; (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, 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 any action or proceeding in which Grantor, 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 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.



STATE OF WASHINGTON }
COUNTY OF Skagit } ss.

On this day personally appeared before me
Evelyn I Rusio
to me known to be the individual described in and who
executed the within and foregoing instrument, and acknowl-
edged that she signed the same as her
free and voluntary act and deed, for the uses and purposes
therein mentioned.

GIVEN under my hand and official seal this
9 day of June, 2011
Teri L Gibson
Notary Public in and for the State of Washington,
residing at Burlington, WA
My appointment expires: 01-13-2014

Evelyn I. Rusio as
Attorney In fact for
John Rusio President of
Queens Plate Dev.

STATE OF WASHINGTON
COUNTY OF Skagit } ss. JG

On this 9 day of June, 2011, before me, the undersigned, a
Notary Public in and for the State of Washington, duly commissioned and
sworn, personally appeared _____ and

to me known to be the _____ President and _____ Secretary,
respectively of _____ the corporation that
executed the foregoing instrument, and acknowledged the said instrument to
be the free and voluntary act and deed of said corporation, for the uses and
purposes therein mentioned, and on oath stated that _____
authorized to execute the said instrument and that the seal affixed is the
corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first
above written.

Notary Public in and for the State of Washington,
residing at _____
My appointment expires: _____

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 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.

Dated _____



201106100042
Skagit County Auditor

DEED OF TRUST

CORPORATE ACKNOWLEDGEMENT

STATE OF Washington

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)ss

COUNTY OF Skagit

)

On this 9 day of June 20 11 before me, the undersigned Notary Public, personally appeared EVELYN RUSIN Power of Attorney for JOHN RUSIN, President of QUEEN'S PLATE DEVELOPMENT, INC., and personally known to me proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the Deed of Trust and acknowledged the Deed of Trust to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Deed of Trust and in fact executed the Deed of Trust on behalf of the corporation.

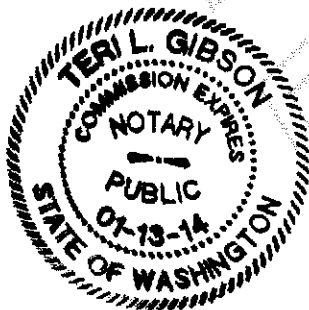
By Teri L. Gibson

Residing At Burlington, WA

Notary Public in and for the State of

My commission expires 01-13-2014

Washington



201106100042
Skagit County Auditor

Exhibit "A"

Legal Description Abbreviated: (DK12) BUILDING 2, UNITS 109-116, UNITS 209-216, UNITS 309-316, BASEMENT PARKING SPACES 1 THRU 9, PLAY COURT, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, REC UNDER AF#200706110218, BEING A PTN OF SW 1/4 OF THE SW 1/4 OF SEC 5, TWP 34 N, RANGE 4 E, W.M.

Assessor's Tax Parcel ID#: 4930-002-109-0000, 4930-002-110-0000, 4930-002-111-0000, 4930-002-112-0000, 4930-002-113-0000, 4930-002-114-0000, 4930-002-115-0000, 4930-002-116-0000, 4930-002-209-0000, 4930-002-210-0000, 4930-002-211-0000, 4930-002-212-0000, 4930-002-213-0000, 4930-002-214-0000, 4930-002-215-0000, 4930-002-216-0000, 4930-002-309-0000, 4930-002-310-0000, 4930-002-311-0000, 4930-002-312-0000, 4930-002-313-0000, 4930-002-314-0000, 4930-002-315-0000, 4930-002-316-0000, 4930-002-900-0000, 4930-002-900-0100

P#: P126781, P126782, P126783, P126784, P126785, P126786, P126787, P126788, P126789, P126790, P126791, P126792, P126793, P126794, P126795, P126796, P126797, P126798, P126799, P126800, P126801, P126802, P126803, P126804, P126805, P126806

Legal Description: (DK12) BUILDING 2, UNIT 109, UNIT 110, UNIT 111, UNIT 112, UNIT 113, UNIT 114, UNIT 115, UNIT 116, UNIT 209, UNIT 210, UNIT 211, UNIT 212, UNIT 213, UNIT 214, UNIT 215, UNIT 216, UNIT 309, UNIT 310, UNIT 311, UNIT 312, UNIT 313, UNIT 314, UNIT 315, UNIT 316, BASEMENT PARKING SPACES 1 THROUGH 9, PLAY COURT, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, RECORDED UNDER AF#200706110218, BEING A PORTION OF SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

Legal Description Abbreviated: (DK12) BUILDING 5, UNIT LCE 234, UNIT 133 AKA CLUBHOUSE OFFICE, UNIT 233 AKA CLUBHOUSE, UNIT 234 AKA CLUBHOUSE OFFICE, COMMON AREA, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, RECORDED UNDER AF#200706110218, BEING A PORTION OF SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

Assessor's Tax Parcel ID#: 4930-005-234-0100, 4930-005-133-0000, 4930-005-233-0000, 4930-005-234-0000, 4930-005-999-0000

P#: P126859, P126860, P126861, P126862, P126863

Legal Description: (DK12) BUILDING 5, UNIT LCE 234, UNIT 133 AKA CLUBHOUSE OFFICE, UNIT 233 AKA CLUBHOUSE, UNIT 234 AKA CLUBHOUSE OFFICE, COMMON AREA, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, RECORDED UNDER AF#200706110218, BEING A PORTION OF SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

Legal Description Abbreviated: (DK12) BUILDING 3, UNIT 117-124, UNIT 217-224, UNIT 317-324, BASEMENT PARKING SPACES 10 THROUGH 18, COMMON AREA, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, REC UNDER AF#200706110218, BEING A PTN OF SW 1/4 OF THE SW 1/4 OF SEC 5, TWP 34 N, RANGE 4 E, W.M.

Assessor's Tax Parcel ID#: 4930-003-117-0000, 4930-003-118-0000, 4930-003-119-0000, 4930-003-120-0000, 4930-003-121-0000, 4930-003-122-0000, 4930-003-123-0000, 4930-003-124-0000, 4930-003-217-0000, 4930-003-218-0000, 4930-003-219-0000, 4930-003-220-0000, 4930-003-221-0000, 4930-003-222-0000, 4930-003-223-0000, 4930-003-224-0000, 4930-003-317-0000, 4930-003-318-0000, 4930-003-319-0000, 4930-003-320-0000, 4930-003-321-0000, 4930-003-322-0000, 4930-003-323-0000, 4930-003-324-0000, 4930-003-999-0000, 4930-003-999-0100

P#: P126808, P126809, P126810, P126811, P126812, P126813, P126814, P126815, P126816, P126817, P126818, P126819, P126820, P126821, P126822, P126823, P126824, P126825, P126826, P126827, P126828, P126829, P126830, P126831, P126832, P126833

Legal Description: (DK12) BUILDING 3, UNIT 117, UNIT 118, UNIT 119, UNIT 120, UNIT 121, UNIT 122, UNIT 123, UNIT 124, UNIT 217, UNIT 218, UNIT 219, UNIT 220, UNIT 221, UNIT 222, UNIT 223, UNIT 224, UNIT 317, UNIT 318, UNIT 319, UNIT 320, UNIT 321, UNIT 322, UNIT 323, UNIT 324, BASEMENT PARKING SPACES 10 THROUGH 18, COMMON AREA, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, RECORDED UNDER AF#200706110218, BEING A PORTION OF SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

Legal Description Abbreviated: (DK12) BUILDING 4, UNIT 125-132, UNIT 225-232, UNIT 325-332, COMMON AREA, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, REC UNDER AF#200706110218, BEING A PTN OF SW 1/4 OF THE SW 1/4 OF SEC 5, TWP 34 N, RANGE 4 E, W.M.

Assessor's Tax Parcel ID#: 4930-004-125-0000, 4930-004-126-0000, 4930-004-127-0000, 4930-004-128-0000, 4930-004-129-0000, 4930-004-130-0000, 4930-004-131-0000, 4930-004-132-0000, 4930-004-225-0000, 4930-004-226-0000, 4930-004-227-0000, 4930-004-228-0000, 4930-004-229-0000, 4930-004-230-0000, 4930-004-231-0000, 4930-004-232-0000, 4930-004-325-0000, 4930-004-326-0000, 4930-004-327-0000, 4930-004-328-0000, 4930-004-329-0000, 4930-004-330-0000, 4930-004-331-0000, 4930-004-332-0000, 4930-004-999-0000,

P#: P126834, P126835, P126836, P126837, P126838, P126839, P126840, P126841, P126842, P126843, P126844, P126845, P126846, P126847, P126848, P126849, P126850, P126851, P126852, P126853, P126854, P126855, P126856, P126857, P126858



Exhibit "A"

Legal Description: (DK12) BUILDING 4, UNIT 125, UNIT 126, UNIT 127, UNIT 128, UNIT 129, UNIT 130, UNIT 131, UNIT 132, UNIT 225, UNIT 226, UNIT 227, UNIT 228, UNIT 229, UNIT 230, UNIT 231, UNIT 232, UNIT 325, UNIT 326, UNIT 327, UNIT 328, UNIT 329, UNIT 330, UNIT 331, UNIT 332, COMMON AREA, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, RECORDED UNDER AF#200706110218, BEING A PORTION OF SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

Legal Description Abbreviated: (DK12) BUILDING 1, UNIT 101-108, UNIT 201-208, UNIT 301-308, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, REC UNDER AF#200706110218, BEING A PTN OF SW 1/4 OF THE SW 1/4 OF SEC 5, TWP 34 N, RANGE 4 E, W.M.

Assessor's Tax Parcel ID#: 4930-001-101-0000, 4930-001-102-0000, 4930-001-103-0000, 4930-001-104-0000, 4930-001-105-0000, 4930-001-106-0000, 4930-001-107-0000, 4930-001-108-0000, 4930-001-201-0000, 4930-001-202-0000, 4930-001-203-0000, 4930-001-204-0000, 4930-001-205-0000, 4930-001-206-0000, 4930-001-207-0000, 4930-001-208-0000, 4930-001-301-0000, 4930-001-302-0000, 4930-001-303-0000, 4930-001-304-0000, 4930-001-305-0000, 4930-001-306-0000, 4930-001-307-0000, 4930-001-308-0000

P#: P126756, P126757, P126758, P126759, P126760, P126761, P126762, P126763, P126764, P126765, P126766, P126767, P126768, P126769, P126770, P126771, P126772, P126773, P126774, P126775, P126776, P126777, P126778, P126779

Legal Description: (DK12) BUILDING 1, UNIT 101, UNIT 102, UNIT 103, UNIT 104, UNIT 105, UNIT 106, UNIT 107, UNIT 108, UNIT 201, UNIT 202, UNIT 203, UNIT 204, UNIT 205, UNIT 206, UNIT 207, UNIT 208, UNIT 301, UNIT 302, UNIT 303, UNIT 304, UNIT 305, UNIT 306, UNIT 307, UNIT 308, CASCADE ESTATES CONDO SURVEY MAP AND PLANS, RECORDED UNDER AF#200706110218, BEING A PORTION OF SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

