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WKG CM #25358.0103



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LAND TITLE OF SKAGIT COUNTY

140917-0

NOTICE OF TRUSTEE'S SALE

Grantor: LaConner Associates Limited Liability Company, a Washington limited liability company

Grantee: Whidbey Island Bank, a Washington state bank, successor in interest by assignment from North County Bank
WKG, Inc.

Abbreviated Legal Description: Ptn Tr 5, Ptn Blk 5, Blks Q & R, LaConner; Ptn Blks 19 & 20, Syndicate Add; Ptn Trs 14-16, Plate 18, LaConner Tidelands.

Reference No: 200310030047, 200504190100, 200605220151, 200706150073, 201101140099, 200310030048, 201107150002

Assessor's Tax Parcel No.: 4123-017-001-0007; 4123-017-009-0009; 4123-017-0018-0008; 4123-017-019-0007; 4123-018-009-0007; 4128-020-008-0009; 4129-018-014-0103; 4129-018-015-0003; 4129-018-900-1504; 4129-018-900-1603; 4129-018-900-1702

NOTICE OF TRUSTEE'S SALE

I.

NOTICE IS HEREBY GIVEN that the undersigned Trustee will on the 9th day of March, 2012, at the hour of 10 o'clock a.m., at the main entrance to the Skagit County Courthouse, located at 3rd & Kincaid, Mount Vernon, WA, Washington, sell at public auction to the highest and best bidder, payable at the time of sale, the following described real property, situated in the County of Skagit, State of Washington, to-wit:

See Attached Exhibit A

(the "Property"), which is subject to that certain Deed of Trust, Security Agreement and Assignment of Leases and Rents dated September 10, 2003 and recorded on October 3, 2003 under Recording No. 200310030047, Records of Skagit County, Washington, from LaConner Associates Limited Liability Company, who acquired title as LaConner Associates, a limited liability company, which also appears of record as LaConner Associates, LLC, who is a Washington Limited Liability Company, as Grantor, to Land Title Company, as Trustee, to secure an obligation in favor of Whidbey Island Bank, a Washington state bank, successor in interest by assignment from North County Bank, as Beneficiary (the "Deed of Trust"). WKG, Inc. is the successor Trustee to the Deed of Trust.

II.

No action commenced by the Beneficiary of the Deed of Trust 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 default(s) for which this foreclosure is made is/are as follows (as of December 5, 2011):

Failure to pay when due the following amounts which are now in arrears:

<u>Default</u>	<u>Amount</u>
Failure to pay the outstanding principal amount of the Promissory Note dated September 10, 2003, as amended, (which Promissory Note is secured by the Deed of Trust) due in full on February 5, 2009:	\$4,953,757.13
Failure to pay accrued interest due under the Note at 7.75% per annum (\$1,051.64 per day) through February 4, 2009 and default interest at 18% per annum (\$2,442.95 per day) from February 5, 2009 to December 5, 2011: (which continues to accrue at a rate of 18.00%):	\$3,536,768.44
Failure to pay late charges:	\$1,000
Failure to pay Beneficiary's attorney's fees and costs and additional fees and expenses as set forth in the Note and Deed of Trust:	\$58,387.07 (estimated)



TOTAL

\$8,549,912.64

IV.

The sum owing on the obligation secured by the Deed of Trust is: Principal in the amount of \$4,953,757.13, together with interest and default interest as provided in the Promissory Note or other instrument secured from the 10th day of September, 2003, and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute, exclusive of advances made by Lender to protect the security of the Deed of Trust and exclusive of attorneys fees and costs incurred by Lender in connection with any default under the Deed of Trust or the foreclosure of the Deed of Trust.

V.

The Property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on the 9th day of March, 2012. The default(s) referred to in paragraph III must be cured by the 27th day of February, 2012 (11 days before the sale date), to cause a discontinuance of the sale. The sale will be discontinued and terminated if at any time on or before the 27th day of February, 2012 (11 days before the sale date) the default(s) as set forth in paragraph III is/are cured and the Trustee's fees and costs are paid. The sale may be terminated any time after the 27th day of February, 2012 (11 days before the sale date), and before the sale by the Borrower, Grantor any Guarantor, or the holder of any recorded junior lien or encumbrance paying the entire principal and interest secured by the Deed of Trust, 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 Trustee to the Borrower and Grantor at the following addresses:

LaConner Associates Limited Liability Company
P.O. Box 1155
LaConner, WA 98257
Attn: Vaughn W. Jolley, Manager

and

LaConner Associates Limited Liability Company
813 South Second Street
LaConner, WA 98257
Attn: Vaughn W. Jolley, Manager

by both first class and certified mail on the 17th day of October, 2011, proof of which is in the possession of the Trustee; and the Borrower and Grantor were personally served on the 18th day of October, 2011, with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.

VII.

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The 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.

WKG, INC.
Attn: Melissa Patton
601 Union Street, Suite 4100
Seattle, WA 98101
(206) 628-6600

VIII.

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

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.

XI.

NOTICE TO GUARANTOR

The 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. The 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 the trustee's sale. The guarantor will have no right to redeem the Property after the trustee's sale. 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 same debt. In any action for a deficiency, the 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.



DATED: December ^{7th}, 2011.

WKG, INC., Successor Trustee

[Handwritten signature of Melissa Patton]

Melissa Patton, Its Secretary
601 Union Street, Suite 4100
Seattle, Washington 98101
(206) 628-6600

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this day personally appeared before me Melissa Patton, to me known to be a Secretary of WKG, Inc., 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 she was authorized to execute the same instrument.

GIVEN under my hand and official seal this ^{7th} day of December, 2011.

[Handwritten signature of Heather D. Arias]

Heather D. Arias
Notary Public in and for the State of Washington,
residing at Seattle.
My commission expires: 4/10/2012



EXHIBIT A

DESCRIPTION:

PARCEL "A":

The Easterly 80 feet of Lots 5, 6, 7 and 8; and the Easterly 80 feet of the Southerly 20 feet of Lot 9 in Block "R" of "MAP OF LACONNER, WHATCOM COUNTY, WASHN. TERRY., 1872", as per plat thereof recorded in Volume 2 of Plats, page 49, records of Skagit County, EXCEPT that portion of said premises, if any, lying within Tract 16 of "CORRECTED SUPPLEMENT TO PLATE NO. 18, LaCONNER TIDE LANDS", as per map thereof filed in the office of the Commissioner of Public Lands at Olympia, Washington.

ALSO, that portion of Tract 16 of "CORRECTED SUPPLEMENT TO PLATE NO. 18, LaCONNER TIDE LANDS", as per map thereof filed in the office of the Commissioner of Public Lands at Olympia, Washington, described as follows:

Beginning at the initial point which is 1283.7 feet South and 615.4 feet West of the stone monument on First Street, Town of LaConner;
thence North 58°47' West 80 feet;
thence South 31°13' West 27 feet;
thence North 58°47' West 60 feet, more or less, to the Easterly line of First Street;
thence South 31°13' West along said First Street a distance of 211.5 feet, more or less to the Northerly line of Caledonia Street;
thence South 58°47' East along the Northerly line of said Street a distance of 140 feet, more or less to the Westerly line of Second Street;
thence North 31°13' East along the Westerly line of said Second Street 238.5 feet, more or less, to the point of beginning;

(Said above Tract being also shown as a portion of Block "R" of the "MAP OF LaCONNER, WHATCOM COUNTY, WASHN. TERRY., 1872", and as a portion of Block 19, "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.", as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington. Said Plats being overlapped onto the tidelands.)

Situate in the County of Skagit, State of Washington.

PARCEL "B":

The surface and 500 feet of the subsurface vertically in depth below the surface of the following described tracts:

1. The Westerly 60 feet of Lots 4, 5, 6, 7, 8, and 9, Block "R", "MAP OF LACONNER, WHATCOM COUNTY, WASHN. TERRY., 1872", as per plat recorded in Volume 2 of Plats, page 49, records of Skagit County, Washington, EXCEPT that portion thereof lying within "CORRECTED PLATE 18, MAP OF LACONNER TIDELANDS", filed in the office of State Land Commissioner at Olympia, Washington;

EXCEPTING from Lot 9 above described, the following:

EXHIBIT A



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DESCRIPTION CONTINUED:

PARCEL "B" continued:

Beginning at the most Easterly corner of said Lot 9, said point also being the most Southerly corner of Lot 10 in said Block "R";
thence Southwesterly, along the Southeasterly line of said Lot 9, a distance of 5.14 feet to the Northeasterly line of the Southerly 20 feet of said Lot 9;
thence North 59°12'38" West a distance of 80.27 feet to the true point of beginning;
thence North 30°53'38" East a distance of 5.20 feet to the Northeasterly line of said Lot 9;
thence North 59°10'29" West, along said Northeasterly line, a distance of 26.56 feet;
thence South 30°53'38" West to a point which is North 59°12'38" West of the true point of beginning;
thence South 59°12'38" East to the true point of beginning;

2. The Southwesterly 101 feet of the Northeasterly 214.5 feet of Block 5, "MAP OF LACONNER, WHATCOM COUNTY, WASHN. TERRY., 1872", as per plat recorded in Volume 2 of Plats, page 49, records of Skagit County, Washington, EXCEPT that portion thereof lying within "CORRECTED PLATE 18, MAP OF LACONNER TIDELANDS", filed in the office of State Land Commissioner at Olympia, Washington.

3. Tract 15 and the Southerly 26.5 feet of Tract 14, "CORRECTED PLATE 18, MAP OF LACONNER TIDELANDS", as per map thereof filed in the office of State Land Commissioner of Public Lands at Olympia, Washington.

4. That portion of Tract 16, "CORRECTED PLATE 18, MAP OF LACONNER TIDELANDS", as per map thereof, filed in the office of State Land Commissioner of Public Lands at Olympia, Washington, described as follows:

Beginning at a point North 58°47' West 80 feet from the initial point of said Tract 16, which is 1283.7 feet South and 615.4 feet West of the stone monument on First Street, Town of LaConner;
thence North 58°47' West 49 feet;
thence North 9°34' West 18 feet, more or less, to the Easterly line of First Street;
thence South 31°13' West along said Street a distance of 41 feet;
thence South 58°47' East 60 feet;
thence North 31°13' East 25 feet, more or less, to the point of beginning.

EXCEPT from the above described Parcel "B", mineral rights as reserved in deed dated February 19, 1968, recorded March 11, 1968, under Auditor's File No. 711168.

Situate in the County of Skagit, State of Washington.

PARCEL "C":

All that portion of Second Street, lying Northerly of the North line of Caledonia Street, as said Second Street is established in the Town of LaConner in accordance with the plat of the "MAP OF SYNDICATE ADDITION TO THE TOWN OF LACONNER, SKAGIT COUNTY, WASHINGTON", as recorded in Volume 2 of plats, at page 109, records of Skagit County, Washington.

EXH



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DESCRIPTION CNOTINUED:

PARCEL "C" continued:

TOGETHER WITH all that portion of Second Street, lying Southerly of the North line of Lot 13 of Block "Q" of the plat of the "MAP OF LACONNER, WHATCOM COUNTY, WASHN. TERRY., 1872", projected Westerly, as said Second Street is established in the Town of LaConner in accordance with the plat of said "MAP OF LACONNER, WHATCOM COUNTY, WASHN. TERRY., 1872", as recorded in Volume 2 of Plats, page 49, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

PARCEL "D":

Lots 1 to 6, inclusive; and all of Lots 13 to 19, inclusive, Block "Q", "MAP OF LACONNER, WHATCOM COUNTY, WASHN. TERRY, 1872", as per plat recorded in Volume 2 of Plats, page 49, records of Skagit County, Washington.

TOGETHER WITH that portion of the vacated alley adjoining, which upon vacation reverted to said premises by operation of law.

EXCEPT that portion conveyed to the Town of LaConner by deed recorded March 27, 1987 under Auditor's File No.8703270028.

Situate in the County of Skagit, State of Washington.

PARCEL "E":

Lots 6, 7, 8 and that portion of Lots 1, 2, 3, 4 and 5, lying East of the dike running through said lots 1, 2, 3, 4 and 5, all in Block 20, "MAP OF SYNDICATE ADDITION TO THE TOWN OF LACONNER, SKAGIT CO., WASH.", as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington. EXCEPT that portion thereof, if any, lying within the boundaries of Tract 17 of "CORRECTED SUPPLEMENT TO PLATE NO. 18, LaCONNER TIDELANDS", as per map thereof, filed in the office of the Commissioner of Public Lands of Olympia Washington.

ALSO, EXCEPT the East 10 feet of Lots 6, 7 and 8 in said Block 20.

Situate in the County of Skagit, State of Washington.



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