



201112270168

Skagit County Auditor

12/27/2011 Page 1 of 4 1:41PM

**AFTER RECORDING RETURN DOCUMENT TO:**

Ted W. and Marcia L. Kartes  
10420 216<sup>th</sup> Street SE  
Snohomish, WA 98296

Reference Number of Related Document: N/A  
Grantor(s): Charles J. Trester and Mary B. Heffernan Trester, husband and wife  
Grantee(s): Ted W. Kartes and Marcia L. Kartes  
Abbreviated Legal Description: ANCHORCOVE MARINA-CONDOMINIUM  
LT 54.5681 INT  
Additional Legal Description is on Exhibit A of Document  
Assessor's Property Tax Parcel or Account No.: P79204

**DEED OF TRUST**

*TRUSTEE: CHICAGO TITLE COMPANY*

THIS DEED OF TRUST ("Deed of Trust"), is made this 21<sup>st</sup> day of December 2011, between Charles J. Trester and Mary B. Heffernan Trester, GRANTOR(s) (Borrowers), whose address is 501 SW Forest Drive, Issaquah, WA 98027; and Ted W. and Marcia L. Kartes, GRANTEE(s) (Lenders) whose address is 10420 216<sup>th</sup> Street SE, Snohomish, WA 98296.

**WITNESSETH:**

Grantor(s) hereby bargains, sells and conveys to Grantee(s) with power of sale, the following described real property located in Skagit County, Washington:

**SEE EXHIBIT A ATTACHED HERETO AND BY THIS REFERENCE INCORPORATED HEREIN AND MADE A PART HEREOF**

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 of Trust is for the purpose of securing the performance of each agreement of Grantor(s) herein contained, and payment and performance of each and every obligation of Grantor(s) as set forth in that certain Promissory Note of even date herewith in the principal amount of FOURTY THOUSAND AND NO/100 DOLLARS (\$40,000.00) made

by Grantor(s) in favor of Grantee(s), of even date herewith and all renewals, modifications and extensions thereof (collectively, the "Note").

To protect the security of this Deed of Trust, Grantor(s) covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; 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. The amount collected by Grantee(s) under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Grantee(s) shall determine. Such application by the Grantee(s) shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor(s) 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 Grantee(s) for matters arising from or after the date hereof, 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 Grantee(s) 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 Grantee(s) incurred in enforcing the obligation secured hereby and Grantee(s) and attorneys' fees actually incurred, as provided by statute.

6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Grantee(s) may pay the same, and the amount so paid, with interest at the rate set forth in the agreement secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

7. Grantor(s) covenants that Grantor(s) is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Grantor(s) warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

IT IS MUTUALLY AGREED THAT:

8. In the event any portion of the property encumbered hereby is taken or damaged in an eminent domain proceeding, to receive all award(s) or indemnification proceeds the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Grantee(s) to be applied to said obligation.



9. By accepting payment of any sum secured hereby after its due date, Grantee(s) 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.

10. Upon default by Grantor(s) 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 Grantee(s). In such event Grantee(s) shall have the first right of refusal to buy out the original/first mortgage holder of this security at the then current balance due. Grantor(s) will not attempt to interfere or delay such buy out and will cooperate fully to expedite such action in favor of Grantee(s) so that Grantee(s) may obtain free and clear title (Deed) to security.

11. 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; Grantee(s) may foreclose on this Deed of Trust as a mortgage.

12. 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.

13. The sale, transfer, conveyance of the property described herein, or any portion thereof, without the prior written consent of the Grantee(s), shall be deemed to increase the risk of Grantee(s) and shall be a default hereunder and Grantee(s) shall have the right, at Grantee(s) sole election, to declare all obligations under the Note immediately due and payable in full.

IN WITNESS WHEREOF, this Deed of Trust has been executed as of the day and year first above written.

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW**

GRANTOR:

  
Charles J. Trestler

Date: 12/22/11

GRANTEE:

  
Ted W. Kartes

GRANTOR:

  
Mary B. Heffernan Trestler

Date: 12-22-11

GRANTEE

  
Marcia L. Kartes



EXHIBIT A TO  
DEED OF TRUST

Legal Description of Property

THE LAND REFERRED TO IN THIS DESCRIPTION IS SITUATED IN THE STATE OF WASHINGTON, COUNTY OF SKAGIT AND IS DESCRIBED AS FOLLOWS:

PARCEL "A": TRACT 54, PIER B AS SHOWN ON THE SURVEY OF "ANCHOR COVE MARINA", FILED UNDER AUDITOR'S FILE NUMBER 825123, IN VOLUME 11 OF PLATS, PAGES 29 AND 30, AND AS IDENTIFIED IN DECLARATION OF ANCHOR COVE MARINA. FILED UNDER AUDITOR'S FILE NO. 825125. PARCEL "B": AN UNDIVIDED 0.5681 PERCENTAGE INTEREST IN THE LAND LYING WITHIN ANCHOR COVE MARINA, AS SHOWN ON SURVEY OF "ANCHOR COVE MARINA", FILED UNDER AUDITOR'S FILE NO. 825123, IN VOLUME 11 OF PLATS, PAGES 29 AND 30, AND AS IDENTIFIED IN DECLARATION OF ANCHOR COVE MARINA. FILED UNDER AUDITOR'S FILE NO. 825125, EXCEPT THOSE PORTIONS LYING WITHIN TRACTS 1A AND 1 THROUGH 26, INCLUSIVE. PIER A: TRACTS 1B AND 27 THROUGH 75, INCLUSIVE, PIER B: TRACTS 76 THROUGH 125 INCLUSIVE, PIER C: AND TRACTS 126 THROUGH 187, INCLUSIVE, PIER D. (SAID UNDIVIDED 0.5681 INTEREST BEING LEASEHOLD ESTATE IN THOSE PORTIONS DELINEATED AS PARCELS C, D, E AND F ON THE FACE OF SAID SURVEY AND FEE SIMPLE ESTATE IN THE REMAINDER).

PARCEL ID NUMBER: 4331-000-054-0007 (P79204) WHICH CURRENTLY HAS THE ADDRESS OF: ANCHOR COVE CONDO SLIP LT 54, 1600 5<sup>TH</sup> STREET, ANACORTES, WA 98221

