

Recording requested by:
ServiceLink



201203280100
Skagit County Auditor

3/28/2012 Page 1 of 9 3:54PM

Return Address:
KAY M. LENNON
LANE POWELL PC
1420 5TH AVENUE SUITE 4100
SEATTLE, WA 98101-23338

Document Title(s) DEED OF TRUST	CHICAGO TITLE 620015154
Reference Number(s) of Documents assigned or released:	
Grantor(s) SARAH MERCHANT, AN UNMARRIED WOMAN	
Grantee(s) Lender: JAMES P. MERCHANT, TRUSTEE OF THE SARAH MERCHANT TRUST ESTABLISHED U/W OF S.J. MERCHANT Trustee: CHIACGO TITLE COMPANY Beneficiary: JAMES P. MERCHANT, TRUSTEE OF THE SARAH MERCHANT TRUST ESTABLISHED U/W OF S.J. MERCHANT	
Legal Description (abbreviated: i.e. lot, block, plat or section, township, range) LOTS(S): LOTS 6, 7 & 8 Block: BLK 78 AMENDED PLAT OF BURLINGTON	
Assessor's Property Tax Parcel/Account Number P71837 / 4076-078-008-0009	
The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.	

After recording return to

Kay M. Lennon
Lane Powell PC
1420 5th Avenue, Ste 4100
Seattle WA 98101-2338

DEED OF TRUST

GRANTOR: MERCHANT, SARAH

GRANTEE (Beneficiary): JAMES P. MERCHANT, TRUSTEE OF THE SARAH MERCHANT TRUST

GRANTEE (Trustee): CHICAGO TITLE COMPANY

ABBREV. LEGAL DESCRIPTION: LOTS 6, 7 & 8, BLK 78 AMENDED PLAT OF BURLINGTON

ASSESSOR'S TAX PARCEL ID#: P71837 and 4076-078-008-0009

THIS DEED OF TRUST is made as of March 27th, 2012, among SARAH MERCHANT, an unmarried woman (referred to as "**Grantor**"), whose address is 912 E. Orange Ave., Burlington, WA 98233; CHICAGO TITLE COMPANY ("**Trustee**"), whose address is 425 Commercial, Mount Vernon, WA 98273; and JAMES P. MERCHANT, TRUSTEE OF THE SARAH MERCHANT TRUST ESTABLISHED U/W OF S. J. MERCHANT, whose address is 64 Hillbrook Drive, Portola Valley, CA 94028-7934 ("**Beneficiary**").

Grantor hereby bargains, sells, and conveys to Trustee, in trust, with power of sale, real property located in Skagit County, Washington, and described at Exhibit "A" attached hereto (the "**Property**"), which Property is not used principally for agricultural purposes, together with all tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or appertaining, and the rents, issues, and profits thereof.

This Deed of Trust is for the purpose of securing payment and performance of the Grantor's obligations under this Deed of Trust and payment of the sum of ONE HUNDRED



FORTY THOUSAND AND NO/100s DOLLARS (\$140,000.00), in accordance with the terms under that certain Promissory Note of even date herewith, payable to the order of Beneficiary, and made by Grantor (the "Promissory Note"), including all interest payable thereon and any modifications, renewals or extensions thereof.

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; and, with the exception of any mortgage or deed of trust disclosed to and approved in writing by the Beneficiary, 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 on or hereafter erected on the Property described herein continuously insured against loss by fire or other hazards fully insured with full replacement cost coverage. All policies shall be in such companies as Beneficiary may approve and have any loss payable first to Beneficiary as its interest may appear and then to Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as Beneficiary shall determine. Such application by Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding 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 attorneys' fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to collect on the obligations secured hereby or 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 obligations secured hereby and Trustee's and reasonable attorneys' fees actually incurred, as allowed by statute.

6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the Property, Beneficiary may pay the same, and the amount so paid, with interest at the default rate of interest set forth in the Promissory Note, secured hereby, shall be added to and become a part of the debt secured by



this Deed of Trust.

7. If any portion of the Property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such lesser portion as is necessary to fully satisfy the obligations secured hereby, shall be paid to the Beneficiary to be applied to said obligation.

8. The Property described in this security instrument may not be sold or transferred without the Beneficiary's written consent. Upon breach of this provision, Beneficiary may declare all sums due under the Promissory Note and this Deed of Trust immediately due and payable, unless prohibited by applicable law.

9. The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

Grantor's Initials

JPM
Beneficiary's Initials

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the Property is taken in an eminent domain proceeding, the entire amount of any condemnation award to which Grantor is entitled, or such portion thereof as may be necessary to fully satisfy the obligations secured hereby, shall be paid to Beneficiary to be applied to said obligations.

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 timely pay.

3. Trustee shall reconvey all or any part of the Property to the person entitled thereto, on written request of Beneficiary, or upon satisfaction of the obligations secured and written request for reconveyance made by 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 or in the Promissory Note, all sums secured hereby shall immediately become due and payable at the option of Beneficiary. In such event and upon written request of Beneficiary, Trustee, or Trustee's authorized agent, shall sell the Property, in accordance with the Deed of Trust Act of the State of Washington (as amended), at public auction to the highest bidder. Any person except Trustee may bid at



the 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 reasonable attorneys' fee; (2) to the obligations secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto or shall be deposited (less clerk's filing fee) with the clerk of the superior court of the county in which sale takes place.

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 their execution of this Deed of Trust, and such as they may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with 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 purchasers 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 shall 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 (if required by statute), the successor trustee shall be vested with all powers of the original Trustee. Trustee is not obligated to notify any party hereto of a 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 Trustee.

8. Upon any sale, conveyance, assignment, encumbrance, or transfer of Grantor's right, title, or interest in and to the Property, the entire outstanding balance owing under the Promissory Note, including principal, accrued interest, and any other amounts owing under the Promissory Note shall become due and payable at Beneficiary's option, without any requirement for notice or demand, and Beneficiary may pursue any remedies granted to it under this Deed of Trust or the Promissory Note.

9. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto and is binding on their heirs, devisees, legatees, administrators, executors, successors, and assigns.

GRANTOR:


Sarah Merchant



UNOFFICIAL DOCUMENT

126352.0001/5336799.3

5



201203280100

Skagit County Auditor

STATE OF WASHINGTON)
) ss.
COUNTY OF Skagit)

I certify that I know or have satisfactory evidence that Sarah Merchant is the person who appeared before me, and said person acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes mentioned in this instrument.

DATED: March 27, 2012

Martin E Lehr

Printed Name: Martin E Lehr
NOTARY PUBLIC for the State of Washington,

Residing at: La Conner

My appointment expires: 2-9-15

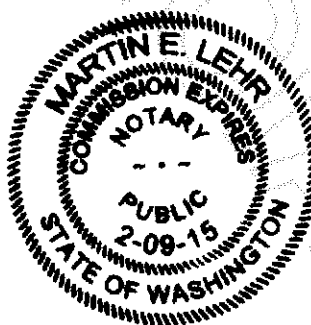


Exhibit "A"
Legal Description

Lots 6, 7 and 8, Block 78, AMENDED PLAT OF BURLINGTON, according to the plat thereof, recorded in Volume 3 of Plats, page 17, recorded of Skagit County, Washington.

Situated in Skagit County, Washington.

End of Exhibit A

