

Skagit County Auditor

6/5/2012 Page

1 of

4 12:08PM

When Recorded Return to Kirk D. Miller Attorney at Law 211 East Sprague Ave. Spokane, WA 99202 recorded at the Request of:

DEED OF TRUST

(For use in the State of Washington only)

THIS DEED OF TRUST, made this 15th day of May , 2012 between Steven L. McMillan and Renee L. McMillan, husband and wife, Movie House Antiques, LLC, a Washington Limited Liability Company, and Mount Vernon Business Park, LLC, a Washington Limited Liability Company, GRANTORS,

whose address is 17713-C Dunbar Road, Mount Vernon, Washington 98273, and Kirk D. Miller, Attorney at Law, TRUSTEE, whose address is 211 East Sprague Avenue,, Spokane, Washington 99202

and 5th Steven C. Miller, St. a single person, Chenev. BENEFICIARY, whose address is Washington

223 North 99004

WITNESSETH: Grantor hereby bargains, sells and convey to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

That portion of the Southeast ¼ of the Northeast ¼ of Section 23, Township 34 North, Range 3 E.W. M., described as follows:

Beginning at the Northeast corner of said subdivision; thence North 89 degrees 54' 05" West along the North line of said subdivision, a distance of 344.00 feet; thence South 0 degrees 12' 00" East, a distance of 495.97 feet to an existing fence line; thence South 86 degrees 54' 05' East along said fence line, a distance of 344.57 feet to a point on the East line of said subdivision; thence North 0 degrees 12' 00" West along the East line of said subdivision a distance of 514.00 feet to the true point of beginning; EXCEPT the existing County Road along the East line thereof. Situated in the County of Skagit, State of Washington.

TAX PARCEL NO. P22366

Abbr Igl: ptn of SE1/4NE1/4 23-34-03

And

That portion of Government Lot 8, Section 13, Township 34 North, Range 3 E.W.M., described as follows:

Beginning at a point on the South line of Lot 8, said Section 13, said point being 901.4 feet West of the Southeast corner of Lot 8 aforesaid; Thence North 980 feet to the South boundary of dike; Thence North 70 degrees West 220 feet along sSouth toe of dike to line fence; Thence South 1,057 feet to South line of said Lot 8; Thence East 214 feet to the point of beginning; EXCEPT ditch and County road right of way, AND EXCEPT those portions thereof owned by Diking Districts. Situated in Skagit County, State of Washington

TAX PARCEL NO. p21763 and p21764 Abbr Igl: ptn Gvt It 8, 13-34-03

And

Lot 1 and the South 8 feet of Lot 2, Block 5, Map of Mount Vernon, Gates 1st and 2d Additions to Mount Vernon, according to the plat thereof.

TAX PARCEL NO. p52024

Abbr Igl: It 1, ptn It2, blk 5 Gates1st and 2d,

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditament, 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 seventy two thousand Dollars (\$72,000.00) with interest in accordance with the terms of a promissory note of even date payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and extensions thereof, and also such further sums as may be or may have been 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 cost 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.



6/5/2012 Page

2 of

4 12:08PM

- 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 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 shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrances 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 cont 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.

Renee-L McMillan, manager of Movie House Antiques, LLC

Renee McMillan, manager of Mount Vernon Business Park, LLC

201206050064 Skaglt County Auditor

6/5/2012 Page

3 of

4 12:08PM

State of Washington)) ss. County of Spokane)
On this day personally appeared before me Renee L. McMillan a/k/a Renee McMillan to me Zknown or proven to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, and as the free and voluntary act and deed of Movie House Antiques and as the free and voluntary act of Mount Vernon Business Park LLC, all for the purposes therein mentioned. Given under my hand and seal this
Notary Public in and for the State of Washington, residing at Spokane Kirk D. Miller Commission expires 7-1-15
Renee L. McMillan Steven L. McMillan
State of Washington))ss. County of Spokane)
On this date personally appeared before me Steven L. McMillan a/k/a Steve McMillan and Renee L. McMillan to me known or proven to be the individuals described in and who executed the within and foregoing instrument, and acknowledged the they signed same as their free and voluntary act and deed for the uses and purposes therein mentioned.
Given under my hand and seal this <u>B</u> day of May, 2012
Notary Public in and for the State of Washington, residing at Spekane Kirk D. Miller Commission expires 7-1-15



4 of

6/5/2012 Page

4 12:08PM