

After recording return to:
Todd W. Blischke
Watt, Tieder, Hoffar & Fitzgerald, LLP
1215 - 4th Avenue, Suite 2210
Seattle, WA 98161



201206190062
Skagit County Auditor

6/19/2012 Page 1 of 6 3:42PM

WASHINGTON STATE RECORDERS COVER SHEET

Document Title: Deed of Trust

Reference No(s) of Documents Assigned or Released:

Grantor: Great Heights, LLC

Grantee: Liberty Mutual Insurance Company

Trustee: Chicago Title Company of Washington

Legal Description: PTN SE, 03-34-02

Tax Parcel No.: P19331 340203-4-012-0003

When recorded return to:
Todd W. Blischke
Watt, Tieder, Hoffar & Fitzgerald, L.L.P.
1215 Fourth Avenue, Suite 2210
Seattle, Washington 98161

DEED OF TRUST

THIS DEED OF TRUST, made this 12th day of June, 2012 between

GREAT HEIGHTS, LLC,
as GRANTOR,
whose address is 8362 Shadow Lane, Anacortes, Washington 98221

and

CHICAGO TITLE COMPANY OF WASHINGTON, a WASHINGTON CORPORATION,
as TRUSTEE,
whose address is 425 Commercial Street, Mount Vernon, Washington 98273

and

LIBERTY MUTUAL INSURANCE COMPANY,
as BENEFICIARY,
whose address is P.O. Box 34670, Seattle, Washington 98124

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

Physical Address: 9669 Padilla Heights Road, Anacortes, Washington 98221
Tax Parcel Number(s): P19773 340203-4-012-0003

With the following legal description:

The West ½ of the South 35 rods of the Northwest quarter of the Southeast quarter, and the West ¼ of the North 7 rods of the Southwest quarter of the Southeast quarter, of Section 3, Township 34 North, Range 2 East W.M.

EXCEPT the North 5 rods of the Southwest quarter of the Northwest quarter of the Southeast quarter;

ALSO EXCEPT the West 8 rods thereof;

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UNRECORDED

ALSO EXCEPT any portion thereof lying Southerly of the North line of the County road known as Stevenson Road or Padilla Heights Road;

ALSO EXCEPT the East 10 feet, more or less, as conveyed to A.F. Schreiber by deed recorded April 2, 1936, under Auditor's File No. 277688;

ALSO EXCEPT that portion described as follows:

Beginning at the South quarter corner of the said section 3;
Thence North 0 degrees 31' 38" East a distance of 1217.40 feet;
Thence South 89 degrees 28' 22" East a distance of 134 feet;
Thence North 0 degree 31' 38" East a distance of 481.60 feet, to the true point of beginning;
Thence South 89 degrees 52' 22" East a distance of 200.00 feet;
Thence North 0 degree 31' 38" East a distance of 200.00 feet;
Thence North 89 degrees 52' 22" West a distance of 200.00 feet;
Thence South 0 degree 31' 38" West a distance of 200.00 feet to the true point of beginning.

ALSO EXCEPT the West 20 feet of the remainder, as conveyed to Gary G. Falkner by deed recorded December 10, 1975, under Auditor's File No. 827196.

SUBJECT TO:

Easement granted by instrument recorded August 4, 1954, under No. 504774, records of Skagit County, in favor of Trans Mountain Oil Pipe Line Corp., for oil pipelines, affecting a 50 feet right of way of undisclosed location.

Easement recorded January 10 1964, under Auditor's No. 645238, records of Skagit County, in favor of Olympic Pipe Line Co., for oil pipelines, affecting an undisclosed location.

Easement recorded November 19, 1965, under Skagit County Auditor's No. 674830, in favor of Bechtel Corp., for 10 foot limestone slurry pipeline, affecting an undisclosed location, which instrument was re-recorded on December 9, 1965, under Auditor's File No. 675736.

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 obligations of the Grantor under the following:

1. The Repayment Plan and Collateral Agreement executed by G.G. Excavation, Inc. on or about May 31, 2012, by and between Liberty Mutual Insurance Company, G.G. Excavation, Inc., Great Heights, LLC, Northwest Equipment Rentals, Inc., Diana M. Gilden, and Gene E. Gilden, and any amendments thereto, which is made a part of this Deed of Trust by reference as though fully set forth herein;
2. The General Agreement of Indemnity executed on or about March 24, 2009 by and between Liberty Mutual Insurance Company, G.G. Excavation, Inc., Great Heights, LLC, Northwest Equipment Rentals, Inc., Diana M. Gilden, and Gene E. Gilden, and any amendments thereto, which is made a part of this Deed of Trust by reference as though fully set forth herein; and

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3. Any such further sums and interest as may be advanced or loaned by Beneficiary to Grantor, or any of his/her/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(s). 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(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 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(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property hereinabove described, Beneficiary may pay, but shall not be required to 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(s) and the Beneficiary, or upon satisfaction of the

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obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. 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 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; and (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(s) had or had the power to convey at the time of his/her/their execution of this Deed of Trust, and such as he/she/they 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 an action or proceeding in which Grantor(s), 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 his/her/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.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

GREAT HEIGHTS, LLC

By: Diana M. Golden member
Diana M. Golden, Manager of Great Heights, LLC

By: Gene E. Golden member
Gene E. Golden, Manager of Great Heights, LLC

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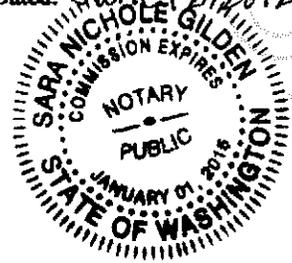
STATE OF WASHINGTON

ss.

COUNTY OF SKAGIT

On this 12th day of June, 2012, before me, the undersigned Notary Public, personally appeared DIANA M. GILDEN, Manager of GREAT HEIGHTS, LLC, and GENE E. GILDEN, Manager of GREAT HEIGHTS, LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be members or designated agents of the limited liability company that executed the Deed of Trust and acknowledged the Deed of Trust to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Deed of Trust and in fact executed the Deed of Trust on behalf of the limited liability company.

Dated: June 12, 2012



Sara Nichole Gilden

Notary name printed or typed: Sara Gilden

Notary Public in and for the State of Washington

My appointment expires: Jan. 1, 2015

| ss.

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: _____

Seattle 4013.1 103023.024



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