

Return Address:

Christopher E. Fletcher
P.O. Box 97
Blaine, WA 98231



201501230086

Skagit County Auditor

\$77.00

1/23/2015 Page

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5 1:59PM

CHICAGO TITLE

620022221

DEED OF TRUST

Grantors: (1) DANIEL SORIA
(2) AMBER L. SORIA

Grantees: (1) MICHAEL A. AUGUST
(2) CHERYL D. AUGUST

Legal Description (abbr.): SECTION 16, TOWNSHIP 36, RANGE 3, PORTION
GOVERNMENT LOT 2 AND NE 1/4 OF NW 1/4

Assessor's Tax Parcel #: P47922 / P47931

THIS DEED OF TRUST, dated Jan. 22, 201~~4~~⁵, between DANIEL SORIA and AMBER L. SORIA, husband and wife, GRANTORS, whose mailing address is PO Box 988, Burlington, Washington 98233, and CHICAGO TITLE INSURANCE COMPANY as TRUSTEE, whose mailing address is 425 Commercial Street, Mt. Vernon, Washington 98273, and MICHAEL A. AUGUST and CHERYL D. AUGUST, husband and wife, BENEFICIARIES, whose address is 328 Medford Heights, Medford, Oregon 97504, WITNESSETH: Grantors hereby bargain, sell and convey to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

That portion of Government Lot 2 and the Northeast 1/4 of the Northwest 1/4 of Section 16, Township 36 North, Range 3 East, W.M., lying Northeasterly of the right of way of State Road No. 1, known as the Pacific Highway, described as follows:

Beginning at a point 1,386.36 feet South and 1,738.48 feet East of the Northwest corner of said Section 16, marked with a nail in the center of an access road at the projection of the Southerly edge of the Richard N. Steele Home; thence North 23 degrees West 147.79 feet along the centerline of said access road also being a line common with an adjacent parcel deeded to Jerry V. Schreuder, to the point of intersection of a curve to the right; thence North 52 degrees 34' East 54.60 feet along the centerline of said access road, also being common with said Schreuder

property; thence North 12 degrees West 60.00 feet along a line common with said Schreuder property to the Northwesterly corner of said Schreuder property; thence South 82 degrees West 66.59 feet; thence South 67 degrees West 180 feet, more or less, to the Easterly right of way line of State Highway 11; thence Southeasterly along said right of way approximately 344 feet to a point which lies South 67 degrees West from a point of intersection with a line extended South 23 degrees East 100 feet from the point of beginning; thence North 67 degrees East 120 feet, more or less, to said point of intersection; thence North 23 degrees West 100 feet to the point of beginning,

EXCEPTING THEREFROM any portion thereof lying within State Road No. 1, known as Pacific Highway and State Highway 11.

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 each agreement of Grantors herein contained, and payment of the sum of \$500,000 with interest, in accordance with the terms of a Promissory Note of even date herewith, payable to Beneficiaries or order, and made by Grantors, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiaries to Grantors, 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, Grantors covenant and agree:

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 Beneficiaries, and be in such companies as the Beneficiaries may approve and have loss payable first to the Beneficiaries, as its interest may appear, and then to the Grantors. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order, as the Beneficiaries shall determine. Such application by the Beneficiaries shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantors in insurance policies then in force shall pass to the purchaser at a foreclosure sale.



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4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiaries 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 Beneficiaries 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 Grantors fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Beneficiaries 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 HEREBY 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 Beneficiaries to be applied to said obligation.

2. By accepting payment of any sum secured hereby after its due date, Beneficiaries do not waive their 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 Grantors and the Beneficiaries, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiaries or the person entitled thereto.

4. Upon default by Grantors 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 Beneficiaries. In such event and upon written request of Beneficiaries, 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; (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 Grantors 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 deed shall recite the facts showing that the



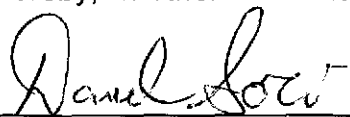
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sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of a bona fide purchaser and encumbrances for value.


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; Beneficiaries 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, Beneficiaries 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 any action or proceeding in which Grantors, Trustee or Beneficiaries 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 Beneficiaries shall mean the holder and owner of the Note secured hereby, whether or not named as Beneficiaries herein.



DANIEL SORIA
Grantor



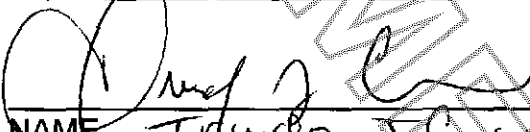
AMBER L. SORIA
Grantor

STATE OF WASHINGTON)
) ss.
COUNTY OF SKAGIT)

On this day personally appeared before me DANIEL SORIA and AMBER L. SORIA, to me know to be individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand this 23rd day of Jan, 2015.





NAME Trudy J. Crain
NOTARY PUBLIC in and for
the State of Washington
Residing at Orlsten
My commission expires 1-19-19



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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: _____



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