

UNRECORDED



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WHEN RECORDED RETURN TO

~~Chicago Title Insurance Co.~~ S.E.A.S.  
~~P.O. Box 1667~~ P.O. Box 1667  
~~Bellingham, WA 98227-6158~~ Mount Vernon, WA 98273  
Attn: Theresa

KATHY HILL  
SKAGIT COUNTY RECORDER

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RECORDED 6 FILED \_\_\_\_\_  
REQUEST OF \_\_\_\_\_

FIRST AMERICAN TITLE CO.  
ACCOMMODATION RECORDING ONLY **DEED OF TRUST**

M5982

(For Use in the State of Washington Only)

THIS DEED OF TRUST, made this 31st day of January, 1996, between SKAGIT SPEEDWAY, INC., a Washington corporation, GRANTOR, whose address is c/o 735 Thomas Road, Bow, Washington 98232; Chicago Title Insurance Company, a corporation, TRUSTEE, whose address is 1616 Cornwall Avenue, Bellingham, WA 98225; and BENEFICIARIES, ALIDA FRANCISCO, ALAN RAPER, FLOYD GRACE, DON JETER, SR., DON JETER, JR., and RICHARD BECK whose address is c/o 321 W. Washington Mount Vernon, WA 98273

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

See Attachment A.

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 grantor herein contained, and payment of the sum of (\$777,592.79) Seven Hundred Seventy-Seven Thousand Five Hundred Ninety-Two and 79/100 Dollars with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and extensions thereof, and also such further sums as may be 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.

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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 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 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, 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 Grantor had or had 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 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 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 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 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 and 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.

SKAGIT SPEEDWAY, INC.

Harold Green  
Harold Green, President

Diana L. Green  
Diana L. Green, Secretary/Treasurer

STATE OF WASHINGTON )

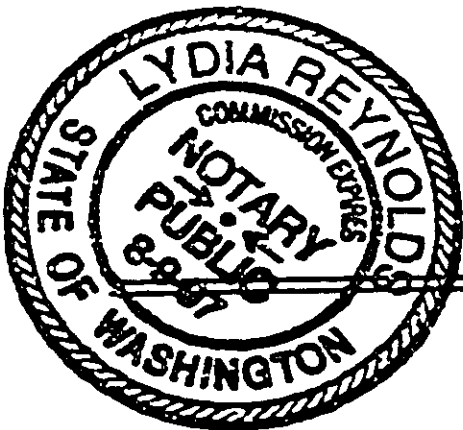
COUNTY OF Skagit )

On this 31 day of January, 1996, 1995, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Harold Green and Diana L. Green to me known to be the President of Skagit Speedway, Inc., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.

\*\*Secretary/Treasurer

Lydia Reynolds Lydia Reynolds  
Notary Public in and for the State of Washington.  
Print Name: Lydia Reynolds  
My commission expires: 8/9/97



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: \_\_\_\_\_

ATTACHMENT A

LEGAL DESCRIPTION OF ALL REAL ESTATE  
OWNED BY SKAGIT SPEEDWAY, INC.

Commencing at a point on the easterly margin of Friday Creek Road where it intersects the northerly line of the Northeast 1/4 of the Southeast 1/4 of Section 30, Township 36 North, Range 4 East W.M. the Point of Beginning of the following described property; thence easterly along said line to the east 1/4 corner of said Section 30; thence southerly along the east line of said Section to a point which intersects the north line of the South 1/2 of the North 1/2 of the North 1/2 of the Southwest 1/4 of Section 29, Township 36 North, Range 4 East W.M.; thence easterly along said north line to the westerly margin of Old Highway 89; thence southwesterly along the westerly margin of said highway to a point of intersection with the northeasterly margin of Friday Creek Road (a.k.a. Abbey Road); thence northwesterly and northeasterly along said road to a point of intersection with the southeasterly margin of Friday Creek; thence northeasterly along the southeasterly margin of Friday Creek to a point which lies S07 35' 54" W 311.14 feet from a point on the north line of the Southeast 1/4 of the Southeast 1/4 of Section 30, Township 36 North, Range 4 East W.M.; thence N86 12' 32" W along said north line for 449.41 feet, more or less to the easterly margin of Friday Creek Road; thence northerly along the easterly margin of Friday Creek Road to the Point of Beginning.

TOGETHER with that portion of the Southwest 1/4 of the Southwest 1/4 of the Southwest 1/4 of Section 29, Township 36 North, Range 4 East W.M. lying easterly of State Highway and southerly of Morton Road. AND ALSO together with all that portion of the North 1/2 of the Southwest 1/4 of the Southwest 1/4 of Section 29, Township 36 North, Range 4 East W.M. lying easterly of State Highway.

AND ALSO together with that portion of the North 1/2 of the Northwest 1/4 of the Northwest 1/4 of the Northwest 1/4 of Section 32, Township 36 North, Range 4 East W. M. lying easterly of State Highway.

All situated in Skagit County, State of Washington.

It is the intention of the parties that the Grantor is granting a security interest in all real property owned by it including but not limited to the property described in the following tax parcels:

360429-3-004-0001	360432-2-009-0003
360429-3-005-0006	360432-2-008-0103
360429-3-007-0008	360432-2-008-0111
360429-3-007-0107	
360429-3-009-0006	360430-4-007-0102
360429-3-009-0105	360430-4-001-0017
360429-3-010-0003	360430-4-001-0249
360429-3-011-0002	
360429-3-016-0007	
360429-3-016-0015	
360431-1-003-0002	

Grantor and Beneficiary authorize the closing agent to provide a corrected legal description of the properties owned by Skagit Speedway, Inc. at closing.

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