

copy 1

SKAF KATHY HILL

97 AUG -5 P3:39

RECORDED FILED REQUEST OF

9708050071

Return Address:

**JAMES A. WYNSTRA  
ATTORNEY AT LAW  
506 W. GROVER ST., SUITE 101  
P.O. BOX 409  
LYNDEN, WA 98264  
(360)354-5078**

Please print or type information.

Document Title(s) (or transactions contained therein):

1. Deed of Trust
2. ACCOMMODATION RECORDING
- 3.
4. ISLAND TITLE COMPANY

Reference Number(s) of Documents assigned or released:  
(on page \_\_\_\_\_ of document(s))

Grantor(s) (last name first, then first name and initials)

1. Homestead Northwest, Inc.
- 2.
- 3.
- 4.
5.  Additional names on page \_\_\_\_\_ of document.

Grantee(s) (Last name first, then first name and initials)

1. Woodridge Group
- 2.
- 3.
- 4.
5.  Additional names on page \_\_\_\_\_ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

Section 27, Township 35 North, Range 1 East of W.M.

Additional legal is on page 3 of document.

Assessor's Property Tax Parcel/Account Number

350127-010-0005, 350127-1-014-0001, and 350127-1-013-0002

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.

9708050071

Return to:

HOMESTEAD NW DEV. CO.  
506 W. GROVER STREET, P.O. BOX 409  
LYNDEN, WA 98264

### DEED OF TRUST

(For Use in the State of Washington Only)



THIS DEED OF TRUST, made this \_\_\_\_\_ day of \_\_\_\_\_ July \_\_\_\_\_, 1997, between  
HOMESTEAD NW DEV. CO., a Washington corporation \_\_\_\_\_, GRANTOR,  
whose address is 506 W. Grover Street, P.O. Box 409, Lynden, WA 98264  
WHATCOM LAND TITLE COMPANY, INC., a Washington corporation, TRUSTEE, whose address is  
2011 Young St., P.O. Box 516, Bellingham, WA 98227  
WOODRIDGE GROUP \_\_\_\_\_ BENEFICIARY,  
whose address is 506 W. Grover Street, P.O. Box 409, Lynden, WA 98264  
WITNESSETH: Grantor hereby bargains, sells, and conveys to Trustee in trust, with power of sale, the  
following described real property in Skagit County,  
Washington:

FOR LEGAL DESCRIPTION SEE EXHIBIT A WHICH IS ANNEXED HERETO AND BY THIS  
REFERENCE INCORPORATED HEREIN.

Assessor's Tax Parcel ID# Parcel A: 350127-010-0005, Parcel B: 350127-1-014-0001  
Parcel C: 350127-1-013-0002

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 (\$ 1,000,000.00)

ONE MILLION AND NO/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 improvements 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 costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, 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.

9708050071

BK 1693PG0316

IT IS MUTUALLY AGREED THAT

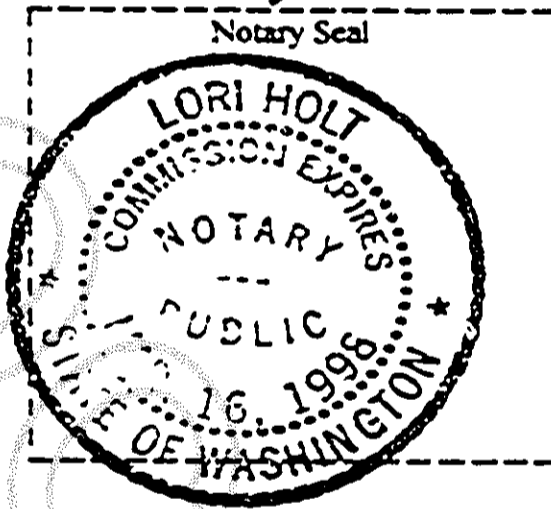
1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
2. By accepting payment of 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 sales 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 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 sale was conducted in compliance with all the requirements of law and 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 an 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.

Dated \_\_\_\_\_

\_\_\_\_\_ HOMESTEAD NW DEV. CO.

By: James A. Wynstra  
James A. Wynstra, President

STATE OF WASHINGTON, }  
County of Whatcom } ss.



I hereby certify that I know or have satisfactory evidence that

JAMES A. WYNSTRA  
is the person(s) who appeared before me, and said person(s) acknowledged that (he, she or they) signed this instrument, on oath stated that he is  
authorized to execute the instrument and acknowledged it as the President  
of HOMESTEAD NW DEV. CO.  
to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated July 30, 1997

Lori Holt  
Notary Public in and for the State of Washington  
Lori Holt  
Printed Name

residing at Lynden  
My appointment expires \_\_\_\_\_

**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 \_\_\_\_\_, 19\_\_\_\_

9708050071

BK 1693 PG 0317

EXHIBIT A  
LEGAL DESCRIPTION

PARCEL A:

That portion of the Northwest Quarter of the Northeast Quarter of Section 27, Township 35 North, Range 1 East of the Willamette Meridian, described as follows:

beginning at the Southwest corner of the Northwest quarter of the Northeast quarter of said Section 27;  
thence North 649.8 feet;  
thence East 899.4 feet;  
thence South 380 feet;  
thence West 592 feet;  
thence South 252.1 feet;  
thence West 305.3 feet to the point of beginning;

EXCEPT that portion thereof, if any, lying within the boundaries of the following described tract:

Beginning at a point 380 feet South of the Northwest corner of the Northeast Quarter of Section 27;  
thence South 380 feet;  
thence East 307.4 feet;  
thence North 380 feet;  
thence West 308.6 feet to the point of beginning.

PARCEL B:

That portion of the North Half of the Northeast Quarter of Section 27, Township 35 North, Range 1 East of the Willamette Meridian, described as follows:

Beginning at a point on the South line of said North Half of the Northeast Quarter 2371.1 feet West of the Southeast corner of said North Half of the Northeast Quarter;  
thence angle right  $93^{\circ}26'$  and run Northerly 252.1 feet;  
thence angle right  $90^{\circ}$  and run Easterly 296 feet;  
thence angle right and run Southerly to the South line of the said North Half of the Northeast Quarter;  
thence angle right  $93^{\circ}26'$  and run West on the South line of said North Half of the Northeast Quarter to the point of beginning.

Situated in Skagit County, Washington.

PARCEL C:

That portion of the Northwest Quarter of the Northeast Quarter of Section 27, Township 35 North, Range 1 East of the Willamette Meridian, described as follows:

Beginning at a point 380 feet South of the Northwest corner of the Northeast Quarter of Section 27;  
thence South 380 feet;  
thence East 307.4 feet;  
thence North 380 feet;  
thence West 308.6 feet to the point of beginning.

EXCEPT that portion beginning at a point 380.00 feet South of the Northwest corner of the Northeast Quarter of Section 27, being also the Southwest corner of Lot 40 of the Plat of Clearidge Division No. 1, according to the plat thereof recorded in Volume 12 of Plats, pages 76, 77, 78 and 79, records of Skagit County, Washington;  
thence continue South  $1^{\circ}30'24''$  West along the East line of the Plat of Skyline No. 9, according to the plat thereof recorded in Volume 9 of Plats, pages 75, 76 and 77, records of Skagit County, Washington, a distance of 139.67 feet to the Northeast corner of Lot 33 of said plat of Skyline No. 9;  
thence South  $88^{\circ}28'26''$  East a distance of 111.44 feet;  
thence North  $1^{\circ}30'24''$  East, a distance of 137.99 feet to the Southeast corner of said Lot 40;  
thence North  $87^{\circ}36'43''$  West, a distance of 111.45 feet to the point of beginning.

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -

9708050071

BK1693PG0318