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Skagit County Auditor

4/17/2002 Page 1 of 4 2:43PM

WHEN RECORDED RETURN TO:
BRIAN C. DALE
Deno, Millikan, Dale, Decker & Davenport
3411 Colby Avenue
Everett, WA 98201

DEED OF TRUST

Reference # (If Applicable):

Grantors: KARL WAGONER and TRACY FINNEGAN, husband and wife

Grantees: DENO, MILLIKAN, DALE, DECKER & DAVENPORT, PLLC

Legal Description (abbreviated): Rockridge Estates Div II, Lot 5

Assessor's Tax Parcel Account Number(s): P113026

THIS DEED OF TRUST, made this 15 day of ^{April} ~~March~~, 2002, between **KARL WAGONER** and **TRACY FINNEGAN**, husband and wife, (hereinafter "GRANTOR"), whose address is 12433 Gull Drive, Burlington, Skagit County, Washington, and **LAND TITLE COMPANY, TRUSTEE**, whose address is 111 East George Hopper Road, Burlington, Washington 98233 (Post Office Box 445, Burlington WA 98233), and **DENO, MILLIKAN, DALE, DECKER & DAVENPORT, PLLC**, (hereinafter "BENEFICIARY"), whose address is 3411 Colby Avenue, Everett, Washington 98201;

WITNESSETH:

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

Lot 5, Plat of Rockridge Estates Division No. II, as per plat recorded in Volume 16 of Plats, pages 194 and 195, records of Skagit County, Washington. Situate in the County of Skagit, State of Washington.

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 way appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing payment of an even date promissory note, together with all provisions thereof, securing the performance in the sum of SIXTEEN THOUSAND SIX HUNDRED NINETY ONE AND 51/100 DOLLARS (\$16,691.51) together with such other sums as may be advanced in the future, 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 thereof 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 or any proceedings to foreclose this Deed of Trust. In the event of a 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, if 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 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 this 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.



7. If all or any part of the real property securing the performance of the Promissory Note and Deed of Trust is sold or transferred without the prior written consent of the holder, the holder may, at his option, require immediate payment in full of all sums due under the terms of the note secured by this Deed of Trust. Upon exercising this option, holder shall give notice of acceleration, which notice shall provide for a period of not less than 30 days from the date the notice is delivered or mailed within which the grantors must pay all sums due under the terms of the note as secured by 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 the 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 other 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 hereto.

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 of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers 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 shall 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 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, successors, and assigns. The term "beneficiary" shall mean the holder and owner of the note secured hereby, whether or not named as beneficiary herein.

IN WITNESS WHEREOF, the parties hereto set their hands and seals the day and year first above written.

Karl Wagoner

 KARL WAGONER

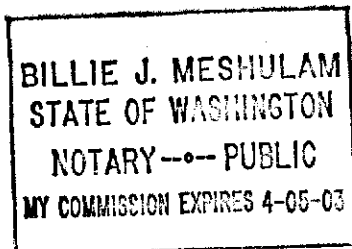
Tracy Finnegan

 TRACY FINNEGAN

STATE OF WASHINGTON)
) ss.
 County of Skagit)

On this day personally appeared before me **KARL WAGONER** and **TRACY FINNEGAN**, husband and wife, to me known to be the individuals described in and who executed the within and foregoing Deed of Trust, 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 and official seal this 15th day of ~~March~~^{April}, 2002.



Billie J. Meshulam

 NOTARY PUBLIC
 Printed Name: BILLIE J MESHULAM
 In and for the State of Washington
 Residing at Everett WA
 My commission expires: 4/05/03

