

CUMMINGS



200205160172
Skagit County Auditor
5/16/2002 Page 1 of 4 3:57PM

After recording, return to:
(use)
U.S. BANK
P.O. BOX 2687
FARGO, ND 58108-2687

DEED OF TRUST

(Space above this line for Recorder's use)
ISLAND TITLE CO.
A20960

Date: 05/10/02

Assessor's Tax Parcel Number: 350135-3-001-0000 AND 350135-3-002-

0306

Grantor(s): THEODORE P. CUMMINGS and LESLIE A. CUMMINGS, HUSBAND AND WIFE
Address: 11881 OLGA RD, ANACORTES, WA 98221

Borrower(s): THEODORE CUMMINGS and LESLIE CUMMINGS
Address: 11881 OLGS RD, ANACORTES, WA 98221

Beneficiary/("Lender"): U.S. BANK NATIONAL ASSOCIATION ND

Trustee: U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

1. GRANT OF DEED OF TRUST. By signing below as Grantor, I irrevocably grant, bargain, sell and convey to Trustee, in trust, with power of sale, the following property located in SKAGIT County, State of Washington:

ABBREVIATED LEGAL: PTN SW 35-35-1; PTN LT 4, SP NO. 19-85 AND PTN LOT 3, SP NO. 39-78
and all buildings and other improvements and fixtures now or later located on the property (all referred to in this Deed of Trust as "the property"). I also hereby assign to Lender any existing and future leases and rents from the property as additional security for the debt described below. I agree that I will be legally bound by all the terms stated in is Deed of Trust. The above real property is not used principally for agricultural or farming purposes.

2. DEBT SECURED. This Deed of Trust and assignment of rents secures the following:

a. The payment of the principal, interest at the rate provided in the note described below, credit report fees, late charges, collection costs, attorneys' fees (including any on appeal or review), and other amounts owing under a note ("Note") with an original principal amount of \$ _____ dated _____ signed by _____ ("Borrower") and payable to Lender, on which the last payment is due _____ and under any amendments, replacements, extensions and renewals of any length.

b. The payment of all amounts that are payable to Lender at any time under a credit agreement dated MAY 10, 2002 and any riders or amendments thereto ("Credit Agreement"), signed by THEODORE CUMMINGS and LESLIE CUMMINGS ("Borrower"). The Credit Agreement is for a revolving line of credit under which Borrower may obtain (in accordance with the terms of the Credit Agreement) one or more loans from Lender on one or more occasions. The maximum amount to be advanced and outstanding at any one time pursuant to the Credit Agreement is currently \$ 70,000.00. This amount may increase or decrease from time to time.

The term of the Credit Agreement consists of an initial period of ten years during which advances can be obtained by the Borrower, followed by a repayment period of indeterminate length during which the Borrower must repay all amounts owing to Lender, all such amounts being due on or before 30 years after the date of this deed of trust.

This Deed of Trust secures the performance of the Credit Agreement, the payment of all loans payable to Lender at any time under the Credit Agreement, the payment of all interest at the rate provided in the Credit Agreement, credit report fees, late charges, membership fees, attorneys' fees (including any on appeal or review), collection costs and all other amounts that are payable to Lender at any time under the Credit Agreement, and any extensions and renewals of any length.

c. This Deed of Trust also secures the payment of all other sums, with interest thereon, advanced under this Deed of trust to protect the security of or to collect or enforce this Deed of Trust, and the performance of any covenants and agreements under this Deed of Trust. So long as this property is not a dwelling, this Deed of Trust also secures the repayment of any future advances made to Borrower that are not made under the Credit Agreement when evidenced by a note or other evidence of debt stating that it is secured hereby, with interest thereon, at the rate provided in the note or other evidence of debt, and any amendments, replacements, extensions and renewals of any length.

The interest rate, payment terms and balance due under the Note and under the Credit Agreement may be indexed, adjusted, renews or renegotiated in accordance with the terms of the Note and the Credit Agreement and any amendments, replacements, extensions and renewals of the Note and Credit Agreement.

3. INSURANCE, LIENS, AND UPKEEP.

3.1 I will keep the property insured by companies acceptable to you with fire and theft insurance, flood insurance if the property is located in any area which is, or hereafter will be designated a special flood hazard area, and extended insurance coverage. The policy amount will be enough to pay the entire amount owing on the debt secured by this Deed of Trust or the insurable value of the property, whichever is less, despite any "co-insurance" or similar provision in the policy. At your discretion, insurance proceeds may be used either to repair the property or to reduce the debt. The insurance policies will have your standard loss payable endorsement. No one but you has a mortgage, lien, or encumbrance, on the property, except the following "Permitted Lien(s)": Liens and encumbrances of record.

3.2 I will pay taxes and any debts that might become a lien on the property, and will keep it free of trust deeds, mortgages, encumbrances and liens, other than yours and the Permitted Liens just described.

3.3 I will also keep the property in good condition and repair and will prevent the removal of any of the improvements.

3.4 If any of these things agreed to in this Section 3 are not done, you may do them, add the cost to the Note or Credit Agreement, and charge interest on that amount at the highest rate charged under the Note or Credit Agreement. I will pay the cost of your doing these whenever you ask, with interest as just described. Even if you do these things, my failure to do them will be a default under Section 6, and you may still use other rights you have for the default.

4. DUE-ON-SALE. I agree that you may, at your option, full extent allowed by law. Whether or not litigation is commenced, I will also be liable for your declare due and payable all sums secured by this Deed of Trust if all or any part of the property, or an interest in the property, is sold or transferred. If you exercise the option to accelerate I know that you may use any default remedies permitted under this Deed of Trust and applicable highest rate provided in the Note or Credit Agreement law. I know that you may exercise your rights under this due-on-sale provision each time all or any part of the property, or an interest in the property, is sold or transferred, whether or not you exercised your rights on any previous sales or transfers.

5. PROTECTING YOUR INTEREST. I will do anything that may now or later be necessary to perfect and preserve this Deed of Trust, and I will pay all recording fees and other fees and costs involved with interest at the highest rate charged under the Note or Credit Agreement.

6. DEFAULT. It will be a default: be necessary to conduct the audit.

6.1 If you do not receive any payment on the debt secured by this Deed of Trust when it is due;

6.2 If any Borrower or I commit fraud or make any material used, produced, or released on the property nor have any hazardous substances been stored, located used, produced, or released on the property or any adjacent property prior to my ownership, possession or the Note or Credit Agreement, this Deed of Trust, or any aspect of my line of credit. For example, it will be a default if I give you a false financial statement, or if I do not tell you the truth about my financial situation, about the property which is subject to this Deed of Trust, or about my use of the money I obtained from you through the Note or Credit Agreement;

6.3 If any action or inaction by me adversely affects your security for the Note or Credit Agreement, including, but not limited to, the following: a. If all or an part of the property, or an interest in the property, is sold or transferred;

b. If I fail to maintain required insurance on the property;

c. If I commit waste on the property or otherwise destructively use or fail to maintain the property;

d. If I die;

e. If I fail to pay taxes or any debts that might become a lien on the property;

f. If I do not keep the property free of deeds of trust, mortgages, encumbrances and liens, other than this Deed of Trust and other Permitted Liens I have already told you about; property under any land sale contract, or forecloses any Permitted Lien or other lien on the property; or

1. If I fail to keep any agreement or breach the warranties, representations or covenants I am making to you in this Deed of Trust about hazardous substances on the property.

After a default you will have the following rights and may use any one, or any combination of them, at any time.

7. YOUR RIGHTS AFTER DEFAULT.

7.1 You may declare the entire secured debt immediately due and payable all at once without notice.

7.2 Subject to

any limitations imposed by applicable law, either before or after a sale of the property under a judicial foreclosure, or before a sale of the property by the Trustee, you may sue for and recover from Borrower all amounts remaining under the Credit Agreement, under the Note, and under this Deed of Trust.

7.3 You may foreclose this Deed of Trust under applicable law either judicially by suit or nonjudicially under the Deed of Trust act of Washington, RCW 61.24, as now or hereafter enacted.

7.4 Either in person, by agent, or by judicially appointed receiver, you may have any rents from the property collected and pay the amount received, over and above costs of collection and other lawful expenses, on the debt secured by this Deed of Trust.

7.5 I will be liable for all reasonable collection costs you incur to the reasonable attorneys' fees including any to take, foreclose or sell the property and any on appeal or review, and for interest on any collection costs or attorneys' fees at the

7.6 You may use any other rights you have under the law, this Deed of Trust, or other agreements including, but not limited to, any Note or Credit Agreement.

8 HAZARDOUS SUBSTANCES.

8.1 Except as previously disclosed to you in writing, I represent and warrant to you that no hazardous substances are stored, located, used or produced on the property, and that to the best of my knowledge, after due and diligent inquiry, no hazardous substances are stored, located, used or produced on any adjacent property, nor have any hazardous substances been stored, located, or control of [he property.

8.2 I will not cause nor permit any activities on the property which directly or indirectly could result in the release of any hazardous substance onto or under the property or any other property. I agree to provide written notice to you immediately when I become aware that the property or any adjacent property is being or has been subjected to a release of any hazardous substance.

8.3 You and your representatives may enter the property at any time for the purpose of conducting an environmental audit, committing only such injury to the property as may You shall not be required to remedy any such injury or compensate me therefor. I shall cooperate in all respects in the performance of the audit. I shall pay the costs of the audit if either a default exists under this Deed of Trust at the time you arrange to have the audit performed or the audit reveals a misrepresentation in connection with my loan application, default pertaining to hazardous substances. If I refuse to permit you or your representatives to conduct an environmental audit on the property, you may specifically enforce performance of this provision.

8.4 I will indemnify and hold you harmless from and against any and all claims, demands, liabilities, lawsuits and other proceedings, damages, losses, liens, penalties, fines, clean-up and other costs, expenses and attorney fees including any on appeal or review arising directly or indirectly from or out of, or in any way connected with (1) the breach of any representation, warranty, covenant, or agreement concerning hazardous substances contained in this Deed of Trust or in any other document executed by me in connection with the debt secured by this Deed of Trust; (11) any release onto or under the property or other property of any hazardous substance which occurs as a direct or indirect result of acts or omissions by me or my agents or independent contractors; and (111) any release onto or under the property of any hazardous substance which occurs during my ownership, possession, or control of the property.

8.5 If you shall at any time, through the exercise of any of your remedies under this Deed of Trust, or by taking a deed in your own right, hold title to or own the property in your own right, and you discover that any hazardous substance has been stored, located, used, if I become insolvent or bankrupt; produced or released onto or under the property, you may, at your option, if any person forecloses or declares a forfeiture on the convey the property to me. I covenant and agree that I shall accept delivery of any instrument of conveyance and resume ownership of the property in the event you exercise your option here under to convey the property to me. You, at your sole discretion, shall have the right to record any instrument conveying the property to me and such recordation shall be deemed acceptance by me of the instrument and the conveyance.



8.6 All of my representations, warranties, covenants and agreements contained in this Deed of Trust regarding hazardous substances, including but not limited to my agreement to accept conveyance of the property from you and resume ownership, shall survive foreclosure of this Deed of Trust or acceptance by you of a deed in lieu of foreclosure instrument recording,

8.7 For purposes of this Deed of Trust, the term hazardous substances means any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material or a hazardous, toxic or radioactive substance (or designated by any other similar term) by any applicable federal, state or local statute, regulation or ordinance now in effect or in effect at any time during either the term of this Deed of Trust or the period of time I remain in possession, custody, or control of the property following either foreclosure of this Deed of Trust or acceptance by you of a deed in lieu of foreclosure.

9. SATISFACTION OF DEED OF TRUST. When the secured debt is completely paid off and the Credit Agreement is cancelled and terminated as to any future loans, I understand

that the Lender will request Trustee to reconvey, without warranty, the property to the person legally entitled thereto. I will pay the Trustee a reasonable fee for preparation and execution of the reconveyance if that fee does not include I will record the reconveyance at my expense.

10. CHANGE OF ADDRESS. I will give you my new address in writing whenever I move. You may give me any notices by regular mail at the last address I have given you.

11. WASHINGTON LAW APPLIES. This Deed of Trust will be governed by Washington law.

12. NAMES OF PARTIES. In the deed of Trust "I", "me" and "my" mean Grantor(s), and "you" and "your" mean Beneficiary/Lender.

13. IMAGE PROCESSING. Lender or Trustee may create an accurate electronic, magnetic, microfilm, or other image of this Deed of Trust. As part of its normal business practice, Lender or Trustee may then destroy the original after creating that image. A reproduction of this Deed of Trust from that image will be treated the same as the original in court and for any other purpose.

Theodore P. Cummings 5-10-02
 Grantor **THEODORE P. CUMMINGS** Date

Leslie A. Cummings 5-10-02
 Grantor **LESLIE A. CUMMINGS** Date

 Grantor Date

 Grantor Date

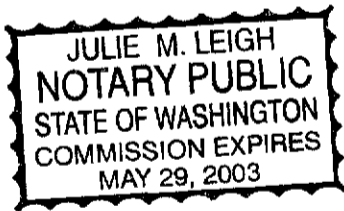
INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington
 County of Pierce } SS

On this day personally appeared before me Theodore P. Cummings & Leslie A. Cummings

to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that (they, he, she) signed the same as (their, his, her) free and voluntary act and deed, for the purposes therein mentioned.

GIVEN under my hand and official seal this 10th day of May 2002



Julie M. Leigh
 Notary Public in and for the State of Washington
 Residing at: Eatonville, WA
 My commission expires: 5/29/02

REQUEST FOR RECONVEYANCE

TO TRUSTEE:

The undersigned is the holder of the Note and/or Credit Agreement secured by this Deed of Trust. The entire obligation evidenced by the Note and/or Credit Agreement together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel the Note and/or Credit Agreement and this Deed of Trust, which are delivered hereby, and to reconvey, without warranty, all the estate now held by you under the Deed of Trust to the person or persons legally entitled thereto.

Date: _____ Signature: _____

This instrument was Drafted by:
 U.S. BANK
 P.O. BOX 2687
 FARGO, ND 58108-2687



Grantor(s): THEODORE P. CUMMINGS and LESLIE A. CUMMINGS
Loan Number: 00003000055084

EXHIBIT A

Legal Description of Property

PARCEL A: THE NORTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 35 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN; EXCEPT ALL THAT PORTION OF SAID SUBDIVISION DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AS SHOWN ON RECORD OF SURVEY FILED IN BOOK 1 OF SURVEYS, PAGE 159, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE SOUTH 0 DEGREES 13'27" EAST ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER A DISTANCE OF 341.59 FEET TO THE SOUTHWEST CORNER OF THE NORTH HALF OF THE NORTH HALF OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER; THENCE NORTH 88 DEGREES 49'47" EAST ALONG THE SOUTH LINE OF SAID NORTH HALF OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER A DISTANCE OF 180.00 FEET; THENCE NORTH 46 DEGREES 43'51" EAST A DISTANCE OF 506.26 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER; THENCE SOUTH 89 DEGREES 03'10" WEST A DISTANCE OF 550.00 FEET TO THE POINT OF BEGINNING. **PARCEL B: ALL THAT PORTION OF LOT 4, SHORT PLAT NO. 19-85, APPROVED JUNE 7, 1985, AS RECORDED IN VOLUME 7 OF SHORT PLATS, PAGES 24 AND 25, UNDER AUDITOR'S FILE NO. 8506100021, RECORDS OF SKAGIT COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:**

BEGINNING AT THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 35 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN, AS SHOWN ON RECORD OF SURVEY FILED IN BOOK 1 OF SURVEYS AT PAGE 159, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE SOUTH 89 DEGREES 03'10" WEST ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER A DISTANCE OF 570.00 FEET; THENCE NORTH 49 DEGREES 0'00" EAST A DISTANCE OF 761.22 FEET TO THE EAST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER; THENCE SOUTH 0 DEGREES 32'05" WEST A DISTANCE OF 490 FEET TO THE POINT OF BEGINNING;

PARCEL C: THAT PORTION OF TRACT 3 OF SKAGIT COUNTY SHORT PLAT NO. 39- 78, APPROVED SEPTEMBER 27, 1978, AND RECORDED SEPTEMBER 28, 1978 UNDER AUDITOR'S FILE NO. 888377 IN VOLUME 3 OF SHORT PLATS, PAGE 22, RECORDS OF SKAGIT COUNTY, WASHINGTON, BEING A PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 35 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN, LYING NORTHERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHEAST CORNER OF SAID TRACT 3; THENCE NORTH 0 DEGREES 32'06" EAST ALONG THE EAST LINE THEREOF A DISTANCE OF 170.79 FEET TO THE TRUE POINT OF BEGINNING OF THIS LINE DESCRIPTION; THENCE SOUTH 88 DEGREES 36'19" WEST PARALLEL WITH THE SOUTH LINE OF SAID TRACT 3 A DISTANCE OF 220.00 FEET; THENCE NORTH 61 DEGREES 23'41" WEST A DISTANCE OF 210.00 FEET; THENCE SOUTH 58 DEGREES 36'19" WEST A DISTANCE OF 420.00 FEET; THENCE NORTH 61 DEGREES 22'33" WEST A DISTANCE OF 210.00 FEET; THENCE NORTH 88 DEGREES 36' 32" WEST PARALLEL WITH THE SOUTH LINE OF SAID TRACT 3 A DISTANCE OF 18.41 FEET TO THE WEST LINE OF SAID TRACT 3 AT A POINT 170.79 FEET NORTH OF THE SOUTHWEST CORNER OF SAID TRACT 3, AS MEASURED ALONG THE WEST LINE THEREOF, AND THE END OF THIS LINE DESCRIPTION;

PARCEL D: TOGETHER WITH A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS, AND UTILITIES OVER, UNDER AND ACROSS THAT PORTION OF THE EAST 20 FEET OF SAID TRACT 3 LYING SOUTHERLY OF THE HEREIN ABOVE DESCRIBED LINE;

PARCEL E: AND, ALSO TOGETHER WITH A NON-EXCLUSIVE EASEMENT OVER, UNDER AND ACROSS THAT CERTAIN EASEMENT ROAD DESIGNATED OLGA ROAD AS DELINEATED ON THE FACE OF SAID SHORT PLAT NO. 39-78.

THIS PROPERTY LIES IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.



200205160172
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