

Washington Administrative Services, Inc.
701 Fifth Avenue, Suite 5000
Seattle, Washington 98104-7078



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Skagit County Auditor

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File No.: 44180-50003 FIRST AMERICAN TITLE CO.
Grantor: Washington Administrative Services, Inc.
Beneficiary: Seattle Mortgage Services Company, a Washington corporation *70470-2*

Legal Description: Lots 2 and 3, CITY OF BURLINGTON REVISED BINDING SITE PLAN NO. BURL-BSP-2-00, approved October 3, 2001, and recorded October 3, 2001, as Skagit County Auditor's File No. 200110030143, being a portion of the Northwest 1/4 of the Southwest 1/4 of Section 5, Township 34 North, Range 4 East, W.M., TOGETHER WITH parking, access and utility easements delineated on said Plat as appurtenant thereto, and as set forth in instrument recorded March 5, 2001, under Auditor's File No. 200103150016.

Assessor's Tax Parcel ID #: 8031-000-002-0000 P117981 and
8031-000-003-0000 P117982

NOTICE OF TRUSTEE'S SALE

Pursuant to the Revised Code of Washington, Chapter 61.24 RCW:

I.

NOTICE IS HEREBY GIVEN that the undersigned Trustee, Washington Administrative Services, Inc., will on **February 7, 2003, at 9:30 AM** at the following location: Inside the Main Hall on the First Floor of the Skagit County Courthouse, 3rd & Kincaid Streets, City of Mount Vernon, State of Washington, sell at public auction to the highest and best bidder, payable at the time of sale, the following-described real property, situated in the County of Skagit, State of Washington, to wit:

AS IN SAID DEED OF TRUST AND DESCRIBED ABOVE.

Commonly known as: 1212, 1216, 1234, 1238, 1240, 1242, and 1250 South Burlington Boulevard, Burlington, WA 98233.

The afore-described real property is subject to that certain Deed of Trust dated October 31, 2001, recorded November 7, 2001, under Auditor's File No. 200111070126, records of Skagit County, State of Washington from Armada/Burlington, LLC, a Washington limited liability company, as

Grantor to First American Title Company of Skagit County, a corporation, as Trustee, to secure an obligation in favor of Seattle Mortgage Services Company, a Washington corporation, the Beneficiary.

II.

No action commenced by the Beneficiary of the Deed of Trust is now pending to seek satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

III.

The Note matured on August 1, 2002. The defaults for which this foreclosure is made are as follows:

Currently Due to Pay off on October 14, 2002:

Arrearages

Principal Balance as of August 1, 2002	\$1,641,227.61
Default Interest accrued @ 10.750 percent per annum August 1, 2002, through October 14, 2002 75 days @ \$483.38 per diem	36,253.50
Subtotal:	\$1,677,481.11

Payments of 2002 general taxes and assessments of \$31,621.58, including interest, were not made pursuant to terms of the Deed of Trust or of the promissory Note secured by the Deed of Trust, occurring by August 26, 2002. The amount in arrears is \$31,621.58, plus penalties.

Subtotal: \$1,709,102.69

Costs and Fees

In addition to the amounts in arrears specified above, you are or may be obligated to pay the following estimated charges, costs and fees to pay off the Deed of Trust.

Attorneys' Fees (estimated) \$10,000.00

Trustee's Fees (estimated)	10,000.00
Title Report	3,120.81
Service/Posting of Foreclosure Notices	250.00
Long Distance Telephone Charges	25.00
Recording Fees	54.00
Statutory Mailing Costs	142.50
Photocopies	200.00
Phase I Environmental Study.....	4,000.00

Subtotal: \$ 27,792.31

Total Current Estimated Payoff Amount:.....\$1,736,895.00

The estimated amounts that will be due to pay off on February 7, 2003 (the sale date):

Additional Arrearages

Default Interest @ 10.750 percent per annum October 15, 2002 to February 7, 2003 115 days @ \$483.38 per diem	\$55,588.70
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Subtotal: \$55,588.70

Additional Costs and Fees

Additional Trustee's or Attorneys' Fees	\$ 0.00
Publication Costs	1,250.00

Subtotal: \$ 1,250.00

**Total Estimated Payoff Amount
as of February 7, 2003 (the Trustee's Sale date):\$1,793,733.70**

IV.

The sum owing on the obligation secured by the Deed of Trust is: \$1,641,227.61, together with interest as provided in the underlying Note and such other costs and fees as are due under the Note and Deed of Trust and as are provided by statute.

V.

The above-described real property will be sold to satisfy the expense of sale and the obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on February 7, 2003. The sale



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will be discontinued and terminated if at any time on or before February 7, 2003 (sale date) the defaults as set forth in paragraph III are cured and the Trustee's fees and costs are paid. The sale may be terminated any time on or before the sale by the Borrower, Grantor, any Guarantor, or the holder of any recorded junior lien or encumbrance paying the entire principal and interest secured by the Deed of Trust, plus costs, fees, and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.

This is an attempt to collect a debt and any information obtained will be used for that purpose.

VI.

A written Notice of Default was transmitted by the Trustee to the Borrower and Grantor at the following addresses:

Armada/Burlington, LLC
Attn: Alan J. Winningham, Member
2115 Sixth Avenue
Seattle, WA 98121

James W. Lagerquist
2115 Sixth Avenue
Seattle, WA 98121

Armada/Burlington, LLC
Attn: James W. Lagerquist, Member
2115 Sixth Avenue
Seattle, WA 98121

Armada/Burlington, LLC
c/o Alan J. Winningham
Armada Retail, Inc.
2115 Sixth Avenue
Seattle, WA 98104

Armada/Burlington, LLC
c/o Assist, Inc., Registered Agent
700 Fifth Ave., Suite 5600
Seattle, WA 98104

Alan J. Winningham
2929 First Ave., Suite 1202
Seattle, WA 98121

Deborah A. Lagerquist
2115 Sixth Avenue
Seattle, WA 98121

Occupants
1240 South Burlington Blvd.
Burlington, WA 98233

James W. Lagerquist
1640 Windermere Drive East
Seattle, WA 98112

Occupants
1250 South Burlington Blvd.
Burlington, WA 98233

Deborah A. Lagerquist
1640 Windermere Drive East
Seattle, WA 98112

by both first class and certified mail on September 3, 2002, proof of which is in the possession of the Trustee. Additionally, a written Notice of Default was transmitted by both first class and



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certified mail on September 6, 2002, by the Trustee to the Borrower and Grantor at the following addresses:

Armada/Burlington, LLC
Attn: Alan J. Winningham, Member
1426 Harvard Avenue, Box 26
Seattle, WA 98122

Armada/Burlington, LLC
Attn: James W. Lagerquist, Member
1426 Harvard Avenue, Box 26
Seattle, WA 98122

Armada/Burlington, LLC
c/o Alan J. Winningham
Armada Retail, Inc.
1426 Harvard Avenue, Box 26
Seattle, WA 98122

James W. Lagerquist
1426 Harvard Avenue, Box 26
Seattle, WA 98122

Deborah A. Lagerquist
1426 Harvard Avenue, Box 26
Seattle, WA 98122

On September 6, 2002 the Borrower and Grantor were personally served with said written Notice of Default or the written Notice of Default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.

VII.

The Trustee whose name and address are set forth below will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.

VIII.

The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.

IX.

Anyone having an objection to the sale on any grounds whatsoever are afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to the Revised Code of Washington, Chapter 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's Sale. Service of process of any lawsuit or legal action may be made on **Washington Administrative Services, Inc.**, whose address is 701 Fifth Avenue, Suite 5000, Seattle, WA 98104-7078.

X.

Notice to Occupants or Tenants:



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The purchaser at the trustee's sale is entitled to possession of the property on the 20th day following the sale, as against the grantor under the deed of trust (the owner) and anyone having an interest junior to the deed of trust, including occupants and tenants. After the 20th day following the sale the purchaser has the right to evict occupants and tenants by summary proceedings under the unlawful detainer act, chapter 59.12 RCW.

XI.

Notice to Guarantor:

The Guarantor may be liable for a deficiency judgment to the extent the sale price obtained at the trustee's sale is less than the debt secured by the deed of trust. In any action for a deficiency, the Guarantor will have the right to establish the fair value of the property as of the date of the trustee's sale, less prior liens and encumbrances, and to limit its liability for a deficiency to the difference between the debt and the greater of such fair value or the sale price paid at the trustee's sale, plus interest and cost.

The Guarantor has the same rights to reinstate the debt, cure the default, or repay the debt as is given to the Grantor in order to avoid the trustee's sale. The Guarantor will have no right to redeem the property after the trustee's sale. Any action to enforce a guaranty must be commenced within one year after the trustee's sale, or the last trustee's sale under any deed of trust granted to secure the same debt (subject to such longer periods as are provided in R.C.W. 61.24).

DATED this 14th day of October, 2002

WASHINGTON ADMINISTRATIVE SERVICES, INC.
701 Fifth Avenue, Suite 5000
Seattle, WA 98104-7078

By: _____

John A. Gose
John A. Gose
President

For further information please call Shannon Skinner at (206) 623-7580.

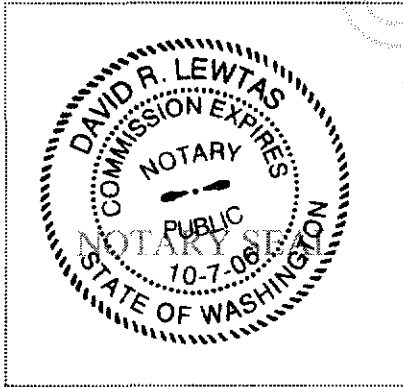


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STATE OF WASHINGTON)
) ss:
COUNTY OF KING)

I certify that I know or have satisfactory evidence that John A. Gose is the person who appeared before me, and said person acknowledged that he signed this instrument and on oath stated that he was authorized to execute the instrument and acknowledged it as President of Washington Administrative Services, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: October 14, 2002



David R. Lewtas

Printed Name: David R. Lewtas
Notary Public in and for the State of Washington
My Appointment expires October 7, 2006.



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