

AFTER RECORDING MAIL TO:

Bertch Company, LLC
21906 NE 140th Way
Woodinville, WA 98072



200408240087
Skagit County Auditor

8/24/2004 Page 1 of 5 12:40PM

LAND TITLE OF SKAGIT COUNTY

**Short Form
DEED OF TRUST**

Escrow No.: 0406292
Title Order No.: 112680-S

THIS DEED OF TRUST, made this 13th day of August, 2004, between

C & G Timber, Inc., a WA Corporation

GRANTOR(S), whose address is 398 Shallow Shore, Bellingham, WA 98229-8503, and Land Title Company of Skagit County, as TRUSTEE, whose address is P.O. Box 445, Burlington, WA 98233, and

Bertch Company, LLC

as BENEFICIARY, whose address is 21906 NE 140th Way, Woodinville, WA 98072.

Grantor(s) hereby irrevocably grants, bargains, sells and conveys to Trustee in Trust, with power of sale, the following described property in Skagit County, Washington:

ABBREVIATED LEGAL DESCRIPTION: A portion of Government Lots 3, 4, and 7, all in Section 7, Township 33 North, Range 5 East, W.M., records of Skagit County, Washington. See EXHIBIT "A" attached hereto for the complete legal description.

Assessor's Property Tax Parcel/Account Number: 330507-0-006-0003

TOGETHER WITH all the tenements, hereditaments and appurtenances, now or hereafter thereunto belonging or in anywise appertaining, and the rents, issues and profits thereof and all other property or rights of any kind or nature whatsoever further set forth in the Master Form Deed of Trust hereinafter referred to, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

THIS DEED IS FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor(s) incorporated by reference or contained herein and payment of the sum of One Hundred Eighty Five Thousand and 00/100 Dollars (\$185,000.00) with interest thereon according to the terms of a promissory note of even date herewith, payable to Beneficiary or order and made by Grantor(s), all renewals, modifications or 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.

By executing and delivering this Deed of Trust and the Note secured hereby, the parties agree that all provisions of Paragraphs 1 through 35 inclusive of the Master Form Deed of Trust hereinafter referred to, except such paragraphs as are specifically excluded or modified herein, are hereby incorporated herein by reference and made an integral part hereof for all purposes the same as if set forth herein at length, and the Grantor(s) hereby makes said covenants and agrees to fully perform all of said provisions. The Master Form Deed of Trust above referred to was recorded on the twenty-fifth (25th) day of July, 1968, in the Official Records of the offices of the County Auditors of the following counties in Washington in the book and at the page designated after the name of each county, to-wit:

**Short Form
DEED OF TRUST
(Continued)**

COUNTY	BOOK OR VOL.	PAGE NO.	AUDITORS FILE NO.
Adams	2 of Record Instr.	513-16	122987
Asotin	Microfilmed Under Auditors No.		101896
Benton	241 of Official Rec.	695 A-C	592931
Chelan	688 of Official Rec.	1682-1685	681844
Clallam	315 of Official Rec.	195-198	383176
Clark	Aud. Microfilm No.	702859-702862	G-519253
Columbia	49 of Deeds	198-201	F-3115
Cowitz	747 of Official Rec.	234-237	675475
Douglas	125 of Mtgs.	120-123	151893
Ferry	28 of Deeds	413-416	153150
Franklin	11 of Official Rec.	373-376	309636
Garfield	Microfilmed under Auditors No.	138-141	13044
Grant	44 of Rec. Doc		538241
Grays Harbor	21 of General	31-34	207544
Island	181 of Official Rec.	710-713	211628
Jefferson	4 of Official Rec.	316-319	196853
King	5690 of Mtgs.	436-439	6382309
Kitsap	929 of Official Rec.	480-483	934770
Kittitas	111 of Mtgs.	361-364	348693
Klickitat	101 of Mtgs.	107-110	131095
Lewis	7 of Official Rec.	839-842	725562
Lincoln	107 of Mortgages	776-779	316596
Mason	Reel 48	Frame 835-838	236038
Okanogan	121 of Mortgages	517-519A	560658
Pacific	213 of Official Rec.	649-652	55707
Pend Orielle	27 of Mtgs.	8-11	126854
Pierce	1254 of Mtgs.	707-710	2250799
San Juan	28 of Mtgs.	459-462	69282
Skagit	19 of Official Rec.	80-83	716277
Skamania	47 of Mtgs.	41-44	70197
Snohomish	233 of Official Rec.	540-543	2043549
Spokane	14 of Official Rec.	1048-1051	376267C
Stevens	109 of Mtgs.	394-397	390635
Thurston	454 of Official Rec.	731-734	785350
Wahkiakum	17 of Mtgs.	89-92	24732
Walla Walla	308 of Mtgs.	711-714	495721
Whatcom	82 of Official Rec.	855-858	1047522
Whitman	1 of Misc.	291-294	382282
Yakima	712 of Official Rec	147-150	2170555

A copy of such Master Form Deed of Trust is hereby furnished to the person executing this Deed of Trust and by executing this Deed of Trust the Grantor(s) acknowledges receipt of such Master Form Deed of Trust.

The property which is the subject of this Deed of Trust is not used principally or primarily for agricultural or farming purposes.

The undersigned Grantor request that a copy of any Notice of Default any of any Notice of Sale hereunder be mailed to him at the address hereinbefore set forth.

WITNESS the hand(s) and seal(s) of the Grantor(s) on the day and year first above written.

C & G Timber, Inc., a WA Corporation

BY: *Gordon Iverson*
Gordon Iverson, President

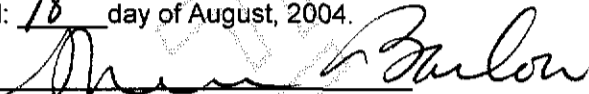

 200408240087
 Skagit County Auditor
 8/24/2004 Page 2 of 5 12:40PM

**Short Form
DEED OF TRUST**
(Continued)

STATE OF Washington
) ss.
COUNTY OF Snohomish

I certify that I know or have satisfactory evidence that GORDON IVERSON is/are the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument, on oath stated that he was/she was/they were authorized to execute the instrument and acknowledged it as the PRESIDENT of C & G Timber, Inc. to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this instrument.

Dated: 18th day of August, 2004.



Sheri Barlow
Notary Public in and for the State of Washington
residing at Everett
My Commission Expires: 07/06/08



200408240087
Skagit County Auditor

**Short Form
DEED OF TRUST**
(Continued)

REQUEST FOR FULL RECONVEYANCE

To be used only when all obligations have been paid under the note and this Deed of Trust.

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 by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

By _____

By _____

By _____

By _____

Mail reconveyance to _____

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee before cancellation will be made.



200408240087
Skagit County Auditor

8/24/2004 Page

4 of

5 12:40PM

EXHIBIT "A" ATTACHED TO STATUTORY WARRANTY DEED

Government Lots 3, 4 and 7, all in Section 7, Township 33 North, Range 5 East, W.M., EXCEPT that portion of Government Lot 3, conveyed to Skagit County by Deed recorded March 24, 1954, under Auditor's File No. 513935, described as follows:

Beginning at the Northeast corner of said Government Lot 3;
thence North 89°42'25" West on the section line, 33.23 feet;
thence South 25°21'30" East, 74.05 feet to the East line of said Government Lot 3;
thence North 1°25' East, 66.77 feet to the point of beginning, Section 7, Township 33 North, Range 5 East, W.M.

TOGETHER WITH a non-exclusive 60 foot right of way, being 30 feet on each side of the following described centerline:

Beginning at the Southeast corner of Lot 7, "REPLAT OF FIRST ADDITION, BIG LAKE WATER FRONT TRACTS, LOTS 122 TO 127," as per plat recorded in Volume 11 of Plats, page 3, records of Skagit County, Washington;
thence Northwesterly along the Southwesterly right of way line of the West Big Lake Road, a distance of 10.90 feet to the true point of beginning;
thence South 50°10'14" West, a distance of 12.78 feet, more or less, to the South line of said Lot 7;
thence continuing South 50°10'14" West, a distance of 26.81 feet;
thence South 24°40'14" West, a distance of 48.91 feet;
thence South 00°55'14" West, a distance of 47.80 feet;
thence South 14°19'46" East, a distance of 53.82 feet;
thence South 31°34'46" East, a distance of 57.62 feet;
thence South 40°49'46" East, a distance of 89.49 feet;
thence South 29°04'46" East, a distance of 86.39 feet;
thence South 40°49'46" East, a distance of 77.77 feet;
thence South 53°04'46" East, a distance of 168.06 feet;
thence South 58°04'46" East, a distance of 165.76 feet;
thence South 46°19'46" East, a distance of 358.47 feet;
thence South 49°34'46" East, a distance of 136.59 feet;
thence South 45°34'46" East, a distance of 127.27 feet;
thence South 36°04'46" East, a distance of 98.71 feet;
thence South 20°25'14" West, a distance of 75.16 feet;
thence North 82°34'46" West, a distance of 65.34 feet;
thence North 51°04'46" West, a distance of 97.01 feet;
thence North 63°34'46" West, a distance of 126.97 feet;
thence North 67°34'46" West, a distance of 87.39 feet;
thence North 75°04'46" West, a distance of 131.28 feet;
thence South 78°55'14" West, a distance of 91.70 feet;
thence North 58°04'46" West, a distance of 117.85 feet;
thence North 74°34'46" West, a distance of 61.63 feet;
thence South 87°55'14" West, a distance of 108.23 feet;
thence North 70°34'46" West, a distance of 160.85 feet;
thence North 67°34'46" West, a distance of 154.93 feet;
thence North 56°34'46" West, a distance of 44.90 feet;
thence North 45°34'46" West, a distance of 94.80 feet;
thence North 67°04'46" West, a distance of 79.37 feet;
thence North 88°34'46" West, a distance of 42.39 feet;
thence South 89°25'14" West, a distance of 61.63 feet;
thence South 87°55'14" West, a distance of 63.64 feet;
thence South 81°55'14" West, a distance of 128.28 feet;
thence South 89°25'14" West, a distance of 43.16 feet, more or less, to the West line of the Northeast ¼ of the Southwest ¼ of said Section 7.

Situate in the County of Skagit, State of Washington.



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