



200412150065
Skagit County Auditor

12/15/2004 Page 1 of 17 11:29AM

After Recording Return To:
COLUMBIA EQUITIES, LTD.
400 COLUMBUS AVENUE, VALHALLA, NEW YORK 10595
Loan Number: 297151897

[Space Above This Line For Recording Data]

CHICAGO TITLE CO. DEED OF TRUST
1C33239

Grantor(s) (Last name first, then first name and initials):

- 1. NITTEBERG, MARILYN K.
- 2.
- 3.
- 4.
- 5.
- 6.

Additional names on page of document.

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

- 1. COLUMBIA EQUITIES, LTD.
- 2. CHICAGO TITLE INSURANCE COMPANY
- 3.
- 4.
- 5.
- 6.

Additional names on page of document.

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

Ptn Lot 18, lot 19, B1K6, Similk Beach

Full legal description on page 15 of document.

Assessor's Property Tax Parcel(s) or Account Number(s): P69268

Reference Number(s) Assigned or Released:

Additional references on page of document.

Borrower Initials: MLN

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated DECEMBER 13, 2004, together with all Riders to this document.

(B) "Borrower" is MARILYN K. NITTEBERG, AS HER SEPARATE ESTATE.

Borrower is the trustor under this Security Instrument.

(C) "Lender" is COLUMBIA EQUITIES, LTD.

Lender is a
and existing under the laws of NEW YORK
Lender's address is 400 COLUMBUS AVENUE, VALHALLA, NEW YORK 10595

(D) "Trustee" is CHICAGO TITLE INSURANCE COMPANY

1616 CORNWALL AVENUE SUITE 115, BELLINGHAM, WASHINGTON 98225

(E) "Note" means the promissory note signed by Borrower and dated DECEMBER 13, 2004

The Note states that Borrower owes Lender TWO HUNDRED THIRTY-SEVEN THOUSAND AND

00/100 Dollars (U.S. \$ 237,000.00)

plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later

than JANUARY 1, 2035

(F) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(G) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under

the Note, and all sums due under this Security Instrument, plus interest.

(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are

to be executed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Balloon Rider
- 1-4 Family Rider
- Condominium Rider
- Planned Unit Development Rider
- Second Home Rider
- Biweekly Payment Rider
- Other(s) [specify]

(I) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and

administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial

opinions.

(J) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges

that are imposed on Borrower or the Property by a condominium association, homeowners association or similar

organization.

(K) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft,

or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or

magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term

includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by

telephone, wire transfers, and automated clearinghouse transfers.

(L) "Escrow Items" means those items that are described in Section 3.

Borrower Initials: MM



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Borrower Initials: *[Signature]*

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record, to grant and convey the Property and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

ANACORTES, Washington, 98221 (City) (Street) (Zip Code) ("Property Address"):

which currently has the address of 13207 SATTERLEE ROAD

SEE ATTACHED LEGAL DESCRIPTION PARCEL NO P69268 [Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

COUNTY of SKAGIT

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the

TRANSFER OF RIGHTS IN THE PROPERTY

party has assumed Borrower's obligations under the Note and/or this Security Instrument.

(Q) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

"RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or plus (ii) any amounts under Section 3 of this Security Instrument.

(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or (O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, (N) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan. (M) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentation of, or omissions as to, the value and/or condition of the Property.

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Borrower Initials: *mtm*

Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and These Items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and 3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note as described in the Note.

Voluntary prepayments shall be applied first to any prepayment charges and then any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; 2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments Instrument.

under the Note and this Security Instrument or performing the covenants and agreements secured by this Security which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not may accept any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return Payments are deemed received by Lender when received at the location designated in the Note or at such other by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late 1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer. Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

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Borrower Initials: *[Signature]*

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards used by Lender in connection with this Loan.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items

any Funds held by Lender. Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower

12 monthly payments.

shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than Funds held in escrow, as defined under RESPA. Lender shall notify Borrower as required by RESPA, and Borrower up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for annual accounting of the Funds as required by RESPA.

in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or of future Escrow Items or otherwise in accordance with Applicable Law.

Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds under this Section 3.

15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of

including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

Borrower Initials: *[Signature]*



Skagit County Auditor

Borrower Initials: *[Signature]*

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage

merger in writing.

Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If payable, with such interest, upon notice from Lender to Borrower requesting payment.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be Lender incurs no liability for not taking any or all actions authorized under this Section 9.

under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument 9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave 8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, of or prior to such an interior inspection specifying such reasonable cause.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time

or restoration.

to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in of, the Property, Borrower shall be responsible for repainting or restoring the Property only if Lender has released deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not 7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy,

control.

principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's

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Borrower Initials: *[Signature]*

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to that were unearned at the time of such cancellation or termination. Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right (b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage for Mortgage Insurance, and they will not entitle Borrower to any refund. Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe (a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe "capable reinsurance." Further:

of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other may have available (which may include funds obtained from Mortgage Insurance premiums). agreements that are satisfactory to the mortgage insurer to make payments using any source of funds that the mortgage insurer conditions with other parties that share or modify their risk, or reduce losses. These agreements are on terms and Mortgage Insurers evaluate their total risk on all such insurance in force from time to time, and may enter into If Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance. Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was becomes available, is obtained, and Lender requires separately designated payments toward the premiums for coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage



Skagit County Auditor

Borrower Initials: *MT*

Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

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Borrower Initials: *[Signature]*

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument. Borrower shall give sole discretion without any obligation to take any action. (a) words of the masculine gender shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note which can be given effect without the conflicting provision.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender. under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law. absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law. Lender may charge Borrower fees for services performed in connection with Borrower's Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender. under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights

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Borrower Initials: *[Signature]*

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee and Lender shall take such action regarding notice of sale and shall give such notices to Borrower and to other persons as Applicable Law may require. After the time required by Applicable Law and after publication of the notice of sale, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of the Property for a period or periods permitted by Applicable Law by public announcement at the time and place fixed in the notice of sale. Lender or its designee may purchase the Property at any sale.

22. NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows: Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property at public auction at a date not less than 120 days in the future. The notice shall further inform Borrower of the right to reinstate after acceleration, the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale, and any other matters required to be included in the notice by Applicable Law. If the default is not cured on or before the date specified in the notice, Lender at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and/or any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

obligation on Lender for an Environmental Cleanup. Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup. Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spillage, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products). Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spillage, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Skagit County Auditor



Witness:

(Seal) -Borrower

(Seal) -Borrower

MARILYN K. NITZBERG
(Seal) -Borrower

Witness:

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

26. Attorneys' Fees. Lender shall be entitled to recover its reasonable attorneys' fees and costs in any action or proceeding to construe or enforce any term of this Security Instrument. The term "attorneys' fees," whenever used in this Security Instrument, shall include without limitation attorneys' fees incurred by Lender in any bankruptcy proceeding or on appeal.

25. Use of Property. The Property is not used principally for agricultural purposes. Lender shall be entitled to recover its reasonable attorneys' fees and costs in any action or proceeding to construe or enforce any term of this Security Instrument. The term "attorneys' fees," whenever used in this Security Instrument, shall include without limitation attorneys' fees incurred by Lender in any bankruptcy proceeding or on appeal.

24. Substitute Trustee. In accordance with Applicable Law, Lender may from time to time appoint a successor trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs and the Trustee's fee for preparing the reconveyance.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it or to the clerk of the superior court of the county in which the sale took place.

200412150065
Skagit County Auditor



UNRECORDED



My commission expires: 8/5/08

Notary Public in and for the state of Washington,
residing at: Blithers

Individuals described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this 3rd day of Dec. 2004.

On this day personally appeared before me MARILYN K. NITTEBERG

State of Washington
County of SKAGIT

)
)

[Space Below This Line For Acknowledgment]

EXHIBIT "A"

The East Half of Lot 18, and all of Lot 19, Block 6, SIMILK BEACH, according to the plat recorded in Volume 4 of Plats, page 51, records of Skagit County, Washington.

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



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Skagit County Auditor
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Skagit County Auditor



DocMagick Corp. 800-649-1362
www.docmagick.com

MULTISTATE SECOND HOME RIDER--Single Family
Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Form 3890 1/01

Borrower Initials: *MT*

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Sections 6 and 8 of the Security Instrument are deleted and are replaced by the following:

6. Occupancy. Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's second home.

THIS SECOND HOME RIDER is made this 13th day of DECEMBER 2004, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower," whether there are one or more persons undersigned) to secure Borrower's Note to COLUMBIA EQUITIES, LTD. (the "Lender") of the same date and covering the Property described in the Security Instrument (the "Property"), which is located at:

13207 SATTERLEE ROAD, ANACORTES, WASHINGTON 98221
[Property Address]

SECOND HOME RIDER
Loan Number: 297151897

Skagit County Auditor
200412150065



DocMagix Corporation 800-649-1362
www.docmagix.com

MULTISTATE SECOND HOME RIDER--Single Family
Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
Form 3890 1/01

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower
MARIAN K. NITZBERG
Marian K. Nitzberg

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this
Second Home Rider.

UNRECORDED