



200604270155

Skagit County Auditor

4/27/2006 Page 1 of 34 3:39PM

This Space Provided for Recorder's Use

WHEN RECORDED MAIL TO:

Owens Mortgage Investment Fund
Loan No.: 51074
P.O. Box 2400
Walnut Creek, CA 94595

LAND TITLE OF SKAGIT COUNTY

111171-SE

DEED OF TRUST AND ASSIGNMENT OF RENTS

Grantor(s): **CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company; and CLEAR VALLEY ENVIRONMENTAL FARM II, INC., a Washington corporation**
Grantee(s): **Owens Mortgage Investment Fund, a California Limited Partnership, Beneficiary**
LAND TITLE COMPANY OF SKAGIT COUNTY, Trustee

Legal Description: ptn 10, 11, 14 & 15-34-4-E W.M.

Assessor's Property Tax Parcel or Account No.: APN's: 340410-1-007-0005, 340410-3-001-0007, 340410-3-006-0002, 340410-4-001-0005, 340410-4-003-0003, 340410-4-004-0002, 340410-4-005-0001, 340410-4-006-0000, 340410-4-007-0009, 340410-4-008-0008, 340410-4-010-0004, 340410-4-011-0003, 340411-0-010-0001, 340411-3-001-0006, 340411-3-002-0005, 340411-3-003-0004, 340411-3-005-0002, 340411-3-006-0001, 340414-0-001-0009, 340414-0-002-0008, 340414-0-003-0007, 340414-0-004-0006, 340414-2-001-0207, 340414-3-007-0007, 340415-0-012-0005, 340415-1-001-0006, 340415-1-002-0005, 340415-1-003-0004, 340415-1-004-0003, 340415-1-005-0002, 340415-1-006-0001, 340415-2-001-0004, 340415-2-002-0003, 340415-2-015-0016, 340415-4-000-0001, 340415-4-000-0100, 340415-4-003-0008, 340411-2-004-0005, 340414-0-005-0005, 340414-2-003-0003, 340414-2-004-0002, 340414-2-006-0000

THIS DEED OF TRUST AND ASSIGNMENT OF RENTS ("DEED OF TRUST") is dated April 10, 2006, among CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company; and CLEAR VALLEY ENVIRONMENTAL FARM II, INC., a Washington corporation, whose address is c/o Jerome Ryan, 9 Teaberry Lane, Tiburon, CA 94920 (referred to below as "Grantor"); OWENS MORTGAGE INVESTMENT FUND, a California limited partnership, whose address is P.O. Box 2400, Walnut Creek, CA 94595, (referred to below as "Beneficiary"); and LAND TITLE COMPANY OF SKAGIT COUNTY, whose address is 4777 South 19th Street, Tacoma, CA 98405 (referred to below as "Trustee").
111 E George Hopper Rd, Burlington, WA 98233

THIS DEED OF TRUST IS INTENDED ALSO AS A FIXTURE FILING AND IS TO BE INDEXED NOT ONLY AS A DEED OF TRUST BUT ALSO AS A FIXTURE FILING.

SEE ATTACHED RIDER FOR RELEASE PROVISIONS

WITNESSETH: That Grantor irrevocably GRANTS, TRANSFERS AND ASSIGNS TO THE TRUSTEE IN TRUST, WITH POWER OF SALE, all that real property (hereinafter referred to as the "Premises") located in the **County of Skagit, State of Washington** and described as follows: **ptn 10, 11, 14 & 15-34-4-E W.M.**

TOGETHER WITH:

(a) All rights-of-way, easements, tenements, hereditaments, and appurtenances, royalties, mineral, oil and gas rights and profits, water, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant), sewer and sewer connection rights, pumps and pumping plants and water stock of Grantor belonging to or in any way appertaining to the Premises, and all estate and rights of Grantor in and to the Premises and the reversion and reversions, remainder and remainders thereof and thereto;

(b) All right, title and interest of Grantor, now owned or hereafter acquired, in and to any land lying in the bed of any street, road or avenue, open or proposed, in front of or adjoining the Premises;

(c) All right, title and interest of Grantor, now owned or hereafter acquired, in and to any and all sidewalks and alleys, and all strips and gores of land, adjacent to or used in connection with the Premises;

(d) All buildings, structures and improvements now or at any time hereafter erected, constructed, or situated upon the Premises or any part thereof; and all apparatus, fixtures, equipment, furniture, furnishings, construction materials and all other articles of personal property in which Grantor now has, or at any time hereafter acquires, an interest and which now are, or at any time hereafter are, attached to or situated in, on or about the Premises or used in connection with or in the operation of the premises, including, but not limited to, all heating, cooling, air conditioning, electricity, gas, water, air and light, filtration and plumbing equipment, light fixtures, elevators and elevator equipment, all hot water heaters and water softeners, all floor coverings, all stoves, ovens, refrigerators, freezers, all wells, pumps, pipes, motors, engines and pumping apparatus and equipment fire prevention and extinguishing apparatus, security and access control apparatus, awnings, storm windows, storm doors, screens, blinds, shades, paneling, attached floor coverings, antennas, trees and plants, , and all renewals, replacements and substitutions thereof and additions thereto and proceeds thereof which specifically-described property Grantor represents are and shall be and are intended to be a part of the real property;

(e) All of Grantor's accounts, accounts receivable, contract rights, inventory, chattel paper and general intangibles relating to the construction, use, operation or occupancy of the Premises and which are now owned or are hereafter owned or acquired by Grantor and/or in which Grantor now has, or at any time hereafter acquires, an interest in, and all renewals, replacements and substitutions thereof and additions thereto and all proceeds thereof;



200604270155

Skagit County Auditor

(f) All of the Grantor's interest in and to any and all present and future leases and rental agreements, subleases, licenses and tenancies of any portion of the Premises or of any space in any building erected upon the Premises, and the income, receipts, rents, issues and profits of the Premises or arising from the use or enjoyment of all or any portion thereof and of any improvements now or hereafter situated on the Premises; and all security deposits arising from the use or enjoyment of all or any portion of the Premises, and all utility deposits made to procure and maintain utility services to the Premises or any portion thereof. The foregoing assignment is recorded in accordance with RCW 65.08.070 and the lien created by this assignment is intended to be specific, perfected, and choate upon the recording of this Deed of Trust;

(g) Any and all awards, payments or other amounts including interest thereon, for the taking by eminent domain or by any proceeding or purchase in lieu thereof of the whole or any part of the Premises or of any improvements now or hereafter situated thereon or any estate or easement therein, and all proceeds of insurance paid on account of partial or total destruction of improvements on the Premises, all of which awards and proceeds are hereby assigned to Beneficiary, which is hereby authorized to collect and receive such awards and proceeds and to give proper receipts and acquittances therefore.

(h) Any licenses, contracts, permits and agreements and related rights and benefits associated with the development and use of the Premises including, but not limited to, construction contracts, rights to plans and specifications for construction, governmental permits, engineering studies and reports, and utility service contracts relating to the construction of improvements on the Premises, or occupancy or use of the Premises; and any licenses, contracts, permits and agreements now or hereafter required or used in connection with the ownership, operation and maintenance of the Premises, and the right to use any trade name, trademark or service mark now or hereafter associated with the operation of any business of Grantor conducted on the Premises and any grazing or range rights related to or pertaining to the Premises and all proceeds from any of the foregoing.

(i) All of Grantor's interest presently owned or hereafter acquired in personal property associated with the development and use of the Premises, including, but not limited to, goods, including building materials located on or off the Premises, inventory, accounts, instruments, documents, intangibles, chattel paper, general intangibles, contract rights, and all items listed above to the extent such items are deemed to be personal property under the **Washington** Uniform Commercial Code, and in the proceeds and products of any of the foregoing.

(j) All right, title and interest of Grantor in and to:
(i) all unearned premiums accrued, accruing, or to accrue under any and all insurance policies now or hereafter obtained by Grantor pursuant to the provisions hereof; and
(ii) all credits and reimbursements due Grantor from any governmental agency

(k) Any proceeds derived from the sale, transfer, hypothecation, disposition, assignment, lease, or loss of any of the foregoing, to have and to hold unto Trustee, its successors and assigns forever.



200604270155

Skagit County Auditor

All of the real and personal property, rights, privileges and interests described in the foregoing and hereby granted, conveyed and assigned are hereinafter collectively referred to as the "Property".

FOR THE PURPOSE OF SECURING: 1. Performance of each agreement of Grantor herein contained. 2. Payment of the indebtedness evidenced by one promissory note of even date herewith in the Principal sum of **\$3,500,000.00**

Three Million Five Hundred Thousand and 00/100 Dollars

INITIAL *[Handwritten initials]* *[Handwritten initials]* *[Handwritten initials]*

payable to Beneficiary or order ("Note"). 3. Payment of additional sums and interest thereon which may hereafter be loaned to Grantor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust. Such additional loans shall be secured hereby only if made to the owner of record of said property at a time when he is such owner of record.

A. To protect the security of this Deed of Trust, Grantor agrees:

1. To Keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general, except as provided for with the written consent of Beneficiary which shall not be unreasonable conditioned, withheld, or delayed.

2. To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Grantor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary, or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.

4. To pay at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at the same interest rate as set forth in the promissory note(s) secured by this Deed of Trust.



200604270155
Skagit County Auditor

6. Should Grantor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Grantor and without releasing Grantor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his reasonable fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary, who may apply or release such moneys received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

3. At any time or from time to time, without liability therefore and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.

4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this deed of trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The Beneficiary in such reconveyance may be described as "the person or persons legally entitled thereto."

5. As additional security, Grantor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Grantor the right, prior to any default by Grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as



200604270155

Skagit County Auditor

aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

6. Upon default by Grantor in payment of any indebtedness under the Note secured by this Deed of Trust or in performance of any agreement hereunder, or any other instrument constituting additional security for the Note, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default Beneficiary shall execute or cause the Trustee to execute a written notice of such default and of his election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the recorder of each county wherein said real property or some part thereof is situated.

Notice of sale having been given as then required by law and not less than the time then required by law having elapsed after recordation of such notice of default, Trustee, without demand on Grantor, shall sell said property at the time and place of sale fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Grantor, Trustee, or Beneficiary, as hereinafter defined, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at the same interest rate as set forth in the promissory note(s) secured by this Deed of Trust; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

Right to Cure. If any non-monetary default is curable, it may be cured if Trustor after receiving written notice from Beneficiary demanding cure of such default:

- (i) cures the default within thirty (30) days; or
- (ii) if the cure requires more than thirty (30) days, immediately initiates steps which Beneficiary deems in Beneficiary's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical, but not later than ninety (90) days from such notice. No event of default shall be deemed to have occurred until the passing of the cure period.

7. This Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.



200604270155

Skagit County Auditor

8 Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Beneficiary or Trustee shall be a party unless brought by Trustee.

9. Beneficiary may, from time to time, as provided by statute, or by a writing, signed and acknowledged by him and recorded in the office of the county recorder of the county in which said land or such part thereof as is then affected by this deed of trust is situated, appoint another Trustee in place and stead of Trustee herein named, and thereupon, the Trustee herein named shall be discharged and Trustee so appointed shall be substituted as Trustee hereunder with the same effect as if originally named Trustee herein.

10. If two or more persons be designated as Trustee herein, any, or all, powers granted herein to Trustee may be exercised by any of such persons, if the other person or persons is unable, for any reason, to act, and any recital of such inability in any instrument executed by any of such persons shall be conclusive against Grantor, his heirs and assigns.

11. Beneficiary, may at its option, (1) declare immediately due and payable all sums secured by the Note and/or (b) increase the interest rate provided in the Note or other document evidencing the indebtedness and impose such other conditions as Beneficiary deems appropriate, upon the sale or transfer, without the Beneficiary's prior written consent, of all or any part of the real property securing the Note ("Real Property"). A "sale or transfer" means the conveyance of Real Property or any right, title or interest therein; whether legal or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, by operation of law, or by any other method of conveyance of Real Property interest. If any Grantor is a corporation or partnership or limited liability company, transfer also includes any change in: (a) the management or (b) ownership of more than twenty-five (25%) of the voting stock or partnership interests or membership interest, as the case may be, of Grantor. However, this option shall not be exercised by Beneficiary if such exercise is prohibited by federal law. Such consent for sale of Real Property shall not be unreasonably conditioned, withheld or delayed. Notwithstanding the foregoing, a "sale or transfer" shall not include any parcel(s) sold or transferred pursuant to the terms and conditions set forth in the release provisions contained in the Rider to this Deed of Trust and the same shall not constitute a default under this paragraph.

12. For any statement regarding the obligations secured hereby, Beneficiary may charge the maximum amount permitted by law at the time of the request therefore.

13. The promissory note secured by this Deed of Trust contains a provision which provides that upon Grantor's failure to make any of the payments required to be paid under the terms of the promissory note and/or Deed of Trust, or in the event Beneficiary, or his agent, advances sums on behalf of the Grantor to protect the security of this Deed of Trust, then said amounts shall accrue additional interest at the rate of **5.00%** percentage points above the interest rate in effect under the Note at the time of such delinquency or default.

The undersigned Grantor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him at this mailing address opposite his signature hereto.



200604270155
Skagit County Auditor

14. (a) Grantor, without expense to Beneficiary, shall, upon receipt of written request from Beneficiary, furnish to Beneficiary: (1) an annual statement of the operation of the property prepared and certified by Grantor, showing in reasonable detail satisfactory to Beneficiary total rents received and total expenses together with an annual balance sheet and profit and loss statement, within one hundred twenty (120) days after the close of each fiscal year of Grantor, beginning with the fiscal year first ending after the date of delivery of this Deed of Trust; (2) within thirty (30) days after the end of each calendar quarter (March 31, June 30, September 30, December 31) interim statements of the operation of the property showing in reasonable detail satisfactory to Beneficiary total rents and other income and receipts received and total expenses for the previous quarter, certified by Grantor; and (3) copies of Grantor's annual state and federal income tax returns within thirty (30) days of filing. Grantor shall keep accurate books and records, and allow Beneficiary, its representatives and agents, upon notice, at any time during normal business hours, access to such books and records regarding acquisition, construction and development of the property, including any supporting or related vouchers or papers, shall allow Beneficiary to make extracts or copies of any thereof, and shall furnish to Beneficiary and its agents convenient facilities for the audit of any such statements, books, and records.

(b) Grantor within three (3) days after a request by Beneficiary in person or within five (5) days after Beneficiary's request by mail, shall furnish Beneficiary or any third party a written statement duly acknowledged of all amounts due on any indebtedness secured hereby, whether for principal or interest on the Note or otherwise, and stating whether any offsets or defenses are claimed by Grantor to exist against the indebtedness secured by this Deed of Trust and covering other matters with respect to any such indebtedness as Beneficiary may reasonably require.

15. In the event the Property consists of several known lots or parcels, Grantor hereby authorizes the Trustee to determine the order of sale of said lots or parcels. The presence of Grantor at the sale shall not operate to revoke the authority of the Trustee hereunder.

16. **EXIT FEE.** As additional consideration for the funding of this loan, Grantor shall pay to Owens Financial Group, Inc., a Calif. Corp., an Exit Fee. **The EXIT FEE shall be N/A.** This fee shall be in addition to the principal, interest, or any other charges or costs agreed to be paid by Grantor pursuant to the terms of the note and or Loan Documents. The Exit Fee shall be due and payable upon the Maturity Date or payoff of the loan, whichever occurs first, and shall also be due and payable in the event of foreclosure (judicial, non-judicial, or deed-in-lieu). If the Exit Fee is not paid in full on or before the Maturity Date, it shall bear interest at the rate set in the note, plus "Default Rate" interest as set forth in the Rider to Note.

17. **THE PROPERTY SECURING THIS DEED OF TRUST IS NOT AND WILL NOT BE USED PRINCIPALLY FOR AGRICULTURAL PURPOSES.** Grantor discloses to Beneficiary that minor farming operations will continue on the Property through October 1, 2006, at which time they will cease and desist for the remaining loan term. Grantor represents that said minor farming operations do not form a principal use of the subject Property,

18. **Governing Law: WITHOUT REGARD TO ANY PRINCIPLES OF CONFLICT LAW, THIS INSTRUMENT AND ALL OF THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA EXCEPT THAT THE PROCEDURAL AND SUBSTANTIVE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED RELATING TO THE CREATION, PERFECTION OR PRIORITY OF LIENS AND SECURITY INTERESTS**



200604270155

Skagit County Auditor

AND TO FORECLOSURE OR OTHER REMEDY WITH RESPECT TO THE PROPERTY SHALL NECESSARILY GOVERN. IN NO EVENT WILL CALIFORNIA'S "ONE FORM OF ACTION RULE" (California Civil Code of Procedure section 726) BE AVAILABLE TO TRUSTOR, IT'S SUCCESSORS AND/OR ASSIGNS. THE VENUE FOR ANY DISPUTE, WHETHER IN FEDERAL OR STATE COURT, SHALL, AT BENEFICIARY'S OPTION, BE IN CONTRA COSTA COUNTY, CALIFORNIA.

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SEE NEXT PAGE FOR SIGNATURES

19. Execution in Counterparts. This DEED OF TRUST and ASSIGNMENT OF RENTS may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same agreement.

GRANTOR:

CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company

BY: SUSTAINABLE ENVIRONMENTS, LLC, a Washington limited liability company
ITS: Managing Member

↓

Kevin F. Noon, Managing Member

↓
Jm

Jerome Ryan, Managing Member

↓
James B Hodge

James Blythe Hodge, Managing Member

CLEAR VALLEY ENVIRONMENTAL FARM, II, INC., a Washington corporation

↓

Kevin F. Noon, Vice President

↓
Jm

Jerome Ryan, President

↓
James B Hodge

James Blythe Hodge, Secretary

Notarize



200604270155

Skagit County Auditor

4/27/2006 Page

10 of

34 3:39PM

AND TO FORECLOSURE OR OTHER REMEDY WITH RESPECT TO THE PROPERTY SHALL NECESSARILY GOVERN. IN NO EVENT WILL CALIFORNIA'S "ONE FORM OF ACTION RULE" (California Civil Code of Procedure section 726) BE AVAILABLE TO TRUSTOR, IT'S SUCCESSORS AND/OR ASSIGNS. THE VENUE FOR ANY DISPUTE, WHETHER IN FEDERAL OR STATE COURT, SHALL, AT BENEFICIARY'S OPTION, BE IN CONTRA COSTA COUNTY, CALIFORNIA.

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SEE NEXT PAGE FOR SIGNATURES


19 Execution in Counterparts. This DEED OF TRUST and ASSIGNMENT OF RENTS may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same agreement.

GRANTOR:

CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company

BY: SUSTAINABLE ENVIRONMENTS, LLC, a Washington limited liability company

ITS: Managing Member

↓ 

Kevin F. Noon, Managing Member


↓ _____

Jerome Ryan, Managing Member

↓ _____

James Blythe Hodge, Managing Member

CLEAR VALLEY ENVIRONMENTAL FARM, II, INC., a Washington corporation

↓ 

Kevin F. Noon, Vice President

↓ _____

Jerome Ryan, President

↓ _____

James Blythe Hodge, Secretary

Notarize



200604270155
Skagit County Auditor

STATE OF CALIFORNIA
COUNTY OF MARIN

On this 22nd day of April in the year of 2006,
before me, NICK WALKER, a Notary Public, personally appeared

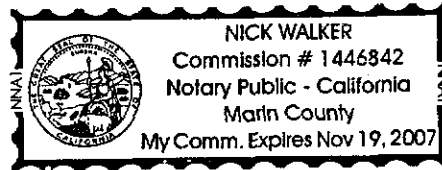
Jerome Michael Ryan

~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be
the person ~~(s)~~ whose name ~~(s)~~ is ~~are~~ subscribed to the within instrument and
acknowledged to me that he ~~she~~ ~~they~~ executed the same in his ~~her~~ ~~their~~ authorized
capacity ~~(ies)~~, and that by his ~~her~~ ~~their~~ signature ~~(s)~~ on the instrument the person ~~(s)~~, or
the entity upon behalf of which the person ~~(s)~~ acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Nick Walker
NOTARY PUBLIC



STATE OF CALIFORNIA
COUNTY OF MARIN

On this 22nd day of April in the year of 2006,
before me, NICK WALKER, a Notary Public, personally appeared

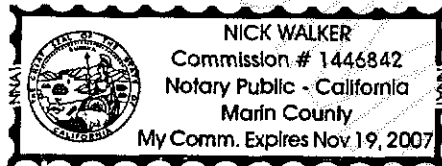
JAMES Blythe Hodge

~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be
the person ~~(s)~~ whose name ~~(s)~~ is ~~are~~ subscribed to the within instrument and
acknowledged to me that he ~~she~~ ~~they~~ executed the same in his ~~her~~ ~~their~~ authorized
capacity ~~(ies)~~, and that by his ~~her~~ ~~their~~ signature ~~(s)~~ on the instrument the person ~~(s)~~, or
the entity upon behalf of which the person ~~(s)~~ acted, executed the instrument.

WITNESS my hand and official seal.

Signature

Nick Walker
NOTARY PUBLIC



This Certificate is to be attached to the document identified as: DEED OF TRUST and
ASSIGNMENT OF RENTS dated April 10, 2006



200604270155
Skagit County Auditor

STATE OF COLORADO
COUNTY OF DENVER

On this 22ND day of APRIL in the year of 2006,
before me, ALBERT BROKER, a Notary Public, personally appeared

KEVEN F NOON

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

[Signature]
NOTARY PUBLIC

ALBERT BROKER
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires 12/13/2009

STATE OF _____
COUNTY OF _____

On this _____ day of _____ in the year of _____,
before me, _____, a Notary Public, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

NOTARY PUBLIC

This Certificate is to be attached to the document identified as: DEED OF TRUST and ASSIGNMENT OF RENTS dated April 10, 2006



200604270155

Skagit County Auditor

STATE OF _____
COUNTY OF _____

On this _____ day of _____ in the year of _____,
before me, _____, a Notary Public, personally appeared

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____
NOTARY PUBLIC

STATE OF _____
COUNTY OF _____

On this _____ day of _____ in the year of _____,
before me, _____, a Notary Public, personally appeared

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____
NOTARY PUBLIC

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200604270155
Skagit County Auditor

STATE OF _____
COUNTY OF _____

On this _____ day of _____ in the year of _____,
before me, _____, a Notary Public, personally appeared

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WITNESS my hand and official seal.

Signature _____
NOTARY PUBLIC

STATE OF _____
COUNTY OF _____

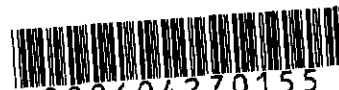
On this _____ day of _____ in the year of _____,
before me, _____, a Notary Public, personally appeared

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____
NOTARY PUBLIC

This Certificate is to be attached to the document identified as: DEED OF TRUST and ASSIGNMENT OF RENTS dated April 10, 2006



200604270155
Skagit County Auditor

RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS DATED April 10, 2006

THIS RIDER IS INCORPORATED INTO AND SHALL BE DEEMED TO SUPPLEMENT THE DEED OF TRUST OF EVEN DATE, GIVEN BY THE UNDERSIGNED, IN THE AMOUNT OF \$3,500,000.00

\$3,500,000.00 loan secured by property located at Clear Valley Farm - 805 acres of land - Skagit County, WA

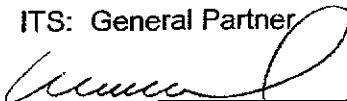
In the event borrowers request a partial release of any of the parcels comprising the subject property or any of the mitigation credits, the following conditions shall prevail:

- 1) A release of an individual parcel or mitigation credits will require the following pay down provisions:
 - a) 75% of the gross sales proceeds, less reasonable sales and closing costs to third parties (not to exceed 7%), subject to Lender's review and approval of the seller's estimated closing statement.
 - b) All interest, property taxes, and fire insurance on the remaining parcels must be paid current.
 - c) A partial processing fee of \$117.00 per release.
 - d) A partial reconveyance fee of \$45.00 per reconveyance

Execution in Counterparts. This RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same agreement.

BENEFICIARY:

OWENS MORTGAGE INVESTMENT FUND, a California Limited Partnership
BY: Owens Financial Group, Inc., a California Corporation
ITS: General Partner




William E. Dutra, Senior Vice President

GRANTOR:

CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company

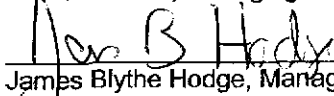
BY: SUSTAINABLE ENVIRONMENTS, LLC, a Washington limited liability company
ITS: Managing Member



Kevin F. Noon, Managing Member



Jerome Ryan, Managing Member

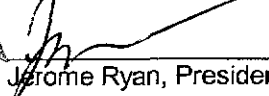


James Blythe Hodge, Managing Member

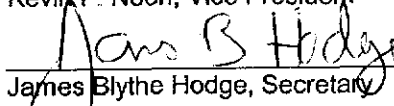
CLEAR VALLEY ENVIRONMENTAL FARM, II, INC, a Washington corporation



Kevin F. Noon, Vice President



Jerome Ryan, President



James Blythe Hodge, Secretary



200604270155
Skagit County Auditor

RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS DATED April 10, 2006

THIS RIDER IS INCORPORATED INTO AND SHALL BE DEEMED TO SUPPLEMENT THE DEED OF TRUST OF EVEN DATE, GIVEN BY THE UNDERSIGNED, IN THE AMOUNT OF \$3,500,000.00

\$3,500,000.00 loan secured by property located at **Clear Valley Farm - 805 acres of land - Skagit County, WA**

In the event borrowers request a partial release of any of the parcels comprising the subject property or any of the mitigation credits, the following conditions shall prevail:

- 1) A release of an individual parcel or mitigation credits will require the following pay down provisions:
 - a) 75% of the gross sales proceeds, less reasonable sales and closing costs to third parties (not to exceed 7%), subject to Lender's review and approval of the seller's estimated closing statement.
 - b) All interest, property taxes, and fire insurance on the remaining parcels must be paid current.
 - c) A partial processing fee of \$117.00 per release.
 - d) A partial reconveyance fee of \$45.00 per reconveyance

Execution in Counterparts. This RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same agreement.

BENEFICIARY:

OWENS MORTGAGE INVESTMENT FUND, a California Limited Partnership
BY: Owens Financial Group, Inc., a California Corporation
ITS: General Partner


William E. Dutra, Senior Vice President


GRANTOR:

CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company

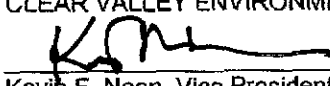
BY: SUSTAINABLE ENVIRONMENTS, LLC, a Washington limited liability company
ITS: Managing Member


Kevin F. Noon, Managing Member

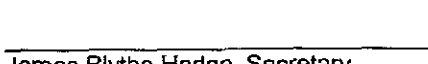

Jerome Ryan, Managing Member


James Blythe Hodge, Managing Member

CLEAR VALLEY ENVIRONMENTAL FARM, II, INC., a Washington corporation


Kevin F. Noon, Vice President


Jerome Ryan, President


James Blythe Hodge, Secretary



200604270155
Skagit County Auditor

RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS DATED April 10, 2006

THIS RIDER IS INCORPORATED INTO AND SHALL BE DEEMED TO SUPPLEMENT THE DEED OF TRUST OF EVEN DATE, GIVEN BY THE UNDERSIGNED, IN THE AMOUNT OF \$3,500,000.00

\$3,500,000.00 loan secured by property located at **Clear Valley Farm - 805 acres of land - Skagit County, WA**

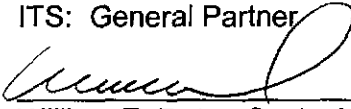
In the event borrowers request a partial release of any of the parcels comprising the subject property or any of the mitigation credits, the following conditions shall prevail:

- 1) A release of an individual parcel or mitigation credits will require the following pay down provisions:
 - a) 75% of the gross sales proceeds, less reasonable sales and closing costs to third parties (not to exceed 7%), subject to Lender's review and approval of the seller's estimated closing statement.
 - b) All interest, property taxes, and fire insurance on the remaining parcels must be paid current.
 - c) A partial processing fee of \$117.00 per release.
 - d) A partial reconveyance fee of \$45.00 per reconveyance.

Execution in Counterparts. This RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same agreement.

BENEFICIARY:

OWENS MORTGAGE INVESTMENT FUND, a California Limited Partnership
BY: Owens Financial Group, Inc., a California Corporation
ITS: General Partner



William E. Dutra, Senior Vice President

GRANTOR:

CLEAR VALLEY ENVIRONMENTAL FARM, LLC, a Washington limited liability company

BY: **SUSTAINABLE ENVIRONMENTS, LLC**, a Washington limited liability company
ITS: Managing Member

Kevin F. Noon, Managing Member

Jerome Ryan, Managing Member

James Blythe Hodge, Managing Member

CLEAR VALLEY ENVIRONMENTAL FARM, II, INC., a Washington corporation

Kevin F. Noon, Vice President

Jerome Ryan, President

James Blythe Hodge, Secretary



200604270155

Skagit County Auditor

STATE OF California
COUNTY OF Contra Costa

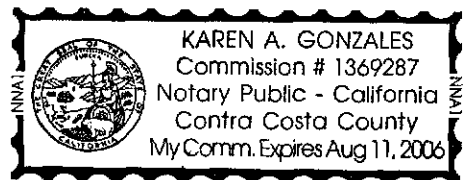
On this 21 day of April in the year of 2006,
before me, Karen A. Gonzales, a Notary Public, personally appeared

William E. Dutra

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is~~ is are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Karen A. Gonzales
NOTARY PUBLIC



STATE OF _____
COUNTY OF _____

On this _____ day of _____ in the year of _____,
before me, _____, a Notary Public, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____
NOTARY PUBLIC

This Certificate is to be attached to the document identified as: RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS dated April 10, 2006



STATE OF California
COUNTY OF Contra Costa

On this 21 day of April in the year of 2006,
before me, Karen A. Gonzales, a Notary Public, personally appeared

William E. Dutra

~~personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.~~

WITNESS my hand and official seal.

Signature Karen A. Gonzales
NOTARY PUBLIC



STATE OF CALIFORNIA
COUNTY OF MARIN

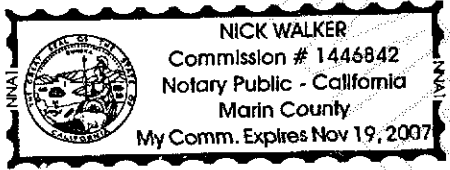
On this 22nd day of April in the year of 2006,
before me, NICK WALKER, a Notary Public, personally appeared

Jerome Michael Ryan

~~personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.~~

WITNESS my hand and official seal.

Signature [Signature]
NOTARY PUBLIC



This Certificate is to be attached to the document identified as: RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS dated April 10, 2006



200604270155
Skagit County Auditor

STATE OF California
COUNTY OF Contra Costa

On this 21 day of April in the year of 2006,
before me, Karen A. Gonzales, a Notary Public, personally appeared

William E. Dutra

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Karen A. Gonzales
NOTARY PUBLIC



STATE OF COLORADO
COUNTY OF DENVER

On this 22ND day of APRIL in the year of 2006,
before me, ALBERT BROKER, a Notary Public, personally appeared

KEVEN F NOON

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature Albert Broker
NOTARY PUBLIC



My Commission Expires 12/13/2009

This Certificate is to be attached to the document identified as: RIDER TO DEED OF TRUST and ASSIGNMENT OF RENTS dated April 10, 2006



Skagit County Auditor

STATE OF CALIFORNIA
COUNTY OF MARIN

On this 22nd day of April in the year of 2006,
before me, NICK WALKER, a Notary Public, personally appeared

JAMES Blythe Hodge
personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature [Signature]
NOTARY PUBLIC



STATE OF _____
COUNTY OF _____

On this _____ day of _____ in the year of _____,
before me, _____, a Notary Public, personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be
the person(s) whose name(s) is/are subscribed to the within instrument and
acknowledged to me that he/she/they executed the same in his/her/their authorized
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NOTARY PUBLIC

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STATE OF _____
COUNTY OF _____

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before me, _____, a Notary Public, personally appeared

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WITNESS my hand and official seal.

Signature _____
NOTARY PUBLIC

STATE OF _____
COUNTY OF _____

On this _____ day of _____ in the year of _____,
before me, _____, a Notary Public, personally appeared

_____ personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____
NOTARY PUBLIC

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200604270155
Skagit County Auditor

FORM OF REQUEST TO RECONVEY

THE PROMISSORY NOTE OR NOTES, AND ANY EVIDENCES OF FURTHER AND/OR ADDITIONAL ADVANCES MUST BE PRESENTED WITH THIS REQUEST:

Walnut Creek, California,

Date _____

To: **LAND TITLE COMPANY OF SKAGIT COUNTY, Trustee:**

You are hereby authorized and requested to execute a reconveyance hereunder and deliver the same to

Trustee

Address

Attn: _____ Regarding: _____
Order Number

The undersigned hereby certifies that they are the owner and holder of the debt mentioned in said deed of trust by recorded assignment.

Beneficiary:

OWENS MORTGAGE INVESTMENT FUND, a California Limited Partnership
BY: Owens Financial Group, Inc., a California Corporation
ITS: General Partner

William E. Dutra, Senior Vice President



200604270155
Skagit County Auditor

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL "A"

That portion of the South ½ of the Northeast ¼ of Section 10, Township 34 North, Range 4 East W.M., lying Southerly of Nookachamps Creek.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

The Southeast ¼ and the East ½ of the Southwest ¼ of Section 10, Township 34 North, Range 4 East W.M., EXCEPT that portion of said Southeast ¼ of the Southwest ¼ lying within the boundaries of Tract "A" of Skagit County Short Plat No. 60-77, approved August 30, 1977 and recorded August 30, 1977 under Auditor's File No. 863767, in Volume 2 of Short Plats, page 112, records of Skagit County, Washington,

EXCEPT that portion conveyed by Deed recorded April 10, 2006, under Auditor's File No. 200604100126, described as follows:

That portion of said East ½ lying South of the North line of the South ½ of the South ½ and lying West of the East line of the West 363.45 feet of said East ½.

Situate in the County of Skagit, State of Washington.

PARCEL "C":

The West ½ of the Southwest ¼ of Section 11, Township 34 North, Range 4 East W.M.;

EXCEPT County road right of way.

ALSO EXCEPT that portion lying Southerly of the South line of Nookachamps Creek.

Situate in the County of Skagit, State of Washington.

PARCEL "D":

That portion of the following described property situated in the South ½ of the Southwest ¼ of Section 11, Township 34 North, Range 4 East W.M., lying Westerly and Northwesterly of the right of way of the Northern Pacific Railway Company:

Beginning at a point on the North and South center line of said Section, 60 feet North of where the North line of the right of way of the Seattle and International Railway crosses said line;



PARCEL "D" Continued:

thence North 45° West to the Southerly bank of Nookachamps Creek;
thence Westerly along the Southerly bank of said creek to the West line of said Section 11;
thence South to the Southwest corner of said Section 11;
thence East to the Southeast corner of the Southwest ¼ of said Section;
thence North to the place of beginning; EXCEPT right of way of Puget Sound Cascade Railway.

Situate in the County of Skagit, State of Washington.

PARCEL "E":

That portion of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the quarter post on the North side of said Section 14;
thence West along the North line of said Section, 275.88 feet to an intersection with the Westerly right-of-way line of the Northern Pacific Railway Company and the true point of beginning;
thence Southwesterly along said right-of-way line, 1,494.24 feet;
thence Northwesterly in a straight line to a point 396 feet South of the Northwest corner of said Section;
thence North 396 feet to the Northwest corner of said Section;
thence East along the North line of said Section to the true point of beginning.

Situate in the County of Skagit, State of Washington.

PARCEL "F":

That portion of the abandoned Puget Sound and Cascade Railway right-of-way in the Southeast ¼ of the Southwest ¼ of Section 11, Township 34 North, Range 4 East, W.M., more particularly described as follows:

A strip of land 50 feet wide, being 25 feet each side of the centerline described as follows:

Beginning at a point on the South boundary line of Section 11, 296.8 feet, more or less, West from the South ¼ section corner thereof;
thence Northeasterly to the East line of said Southeast ¼, 366 feet, more or less, North of said section corner.

Situate in the County of Skagit, State of Washington.



200604270155
Skagit County Auditor

4/27/2006 Page 26 of 34 3:39PM

PARCEL "G":

That portion of the Northwest ¼ of Section 14, Township 34 North, Range 4 East W.M., described as follows:

Beginning at the intersection of the North line of Section 14 with the Westerly line of the right of way of the Seattle Lake Shore and Eastern Railway Company, as said right of way was conveyed by deeds recorded in Volume 10 of Deeds, pages 651 to 654, records of Skagit County, Washington;
thence Southwesterly along said right of way; 1494.24 feet to the true point of beginning;
thence North 60°30' West, 1683 feet, more or less, to a point 396 feet South of the Northwest corner of said Section 14;
thence South along the West line of the Section to a point 660 feet North of the Southwest corner of the Northwest ¼ of said Section;
thence East 871 2 feet, more or less, to the Westerly line of the said railway company right-of-way;
thence Northeasterly along said right of way to the true point of beginning, EXCEPT the 50 foot wide right of way of the Puget Sound and Cascade Railway Company, as said right of way was reserved in deed recorded under Auditor's File No. 138390, in Volume 115 of Deeds, page 619, records of Skagit County, Washington;
AND ALSO EXCEPT that portion lying within the Southwest ¼ of the Northwest ¼ of said Section 14.

Situate in the County of Skagit, State of Washington.

PARCEL "H":

That portion of the Northwest ¼ of the Southwest ¼ of Section 14, Township 34 North, Range 4 East W.M., lying Westerly of the West line of the 100 foot wide right of way conveyed to the Seattle Lake Shore and Eastern Railway Company by deed recorded under Auditor's File No. 3823, in Volume 20 of Deeds, page 504, records of Skagit County, Washington; EXCEPT mineral rights as reserved by deed recorded under Auditor's File No. 28646, in Volume 34 of Deeds, page 392, records of Skagit County, Washington; AND ALSO EXCEPT that certain 20 foot wide strip of land conveyed to the Northern Pacific Railway Company by deed recorded under Auditor's File No. 102078, in Volume 96 of Deeds, page 509, records of Skagit County, Washington; AND ALSO EXCEPT that portion of the North 30 feet of the East 105 feet of that portion of said Northwest ¼ of the Southwest ¼ lying West of the West line of the Northern Pacific Railway, said portion being the non-vacated portion of Coltrine #211 County Road, said road being previously conveyed to Skagit County by deeds recorded under Auditor's File Nos. 75461 and 75462, in Volume 78 of Deeds, page 223, records of Skagit County, Washington, and portions of said road being vacated by Order of Vacation entered in Volume 12 of Commissioner's Journal, page 479, records of Skagit County, Washington; AND ALSO EXCEPT any portion of the as built and existing road commonly known as Gunderson Road and formerly known as Coltrine Road, extending on to said property.

Situate in the County of Skagit, State of Washington.



200604270155

Skagit County Auditor

PARCEL "I":

The Northeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT that portion thereof lying within the boundaries of Tract "A" of Skagit County Short Plat No. 60-77, approved August 30, 1977 and recorded August 30, 1977 under Auditor's File No. 863767, records of Skagit County, Washington; AND EXCEPT the West 30 feet thereof for the as built and existing County road commonly known as the McLaughlin Road extension and as said road was conveyed to Skagit County by deed recorded under Auditor's File No. 864821 and by deed recorded April 18, 1916 under Auditor's File No. 112823, in Volume 102 of Deeds, page 508, records of Skagit County, Washington; AND ALSO EXCEPT the as built and existing County road running along the South line thereof, commonly known as the McLaughlin Road.

Situate in the County of Skagit, State of Washington.

PARCEL "J":

The Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT that portion thereof lying within the boundaries of the as built and existing County road commonly known as McLaughlin Road running along the South line thereof.

Situate in the County of Skagit, State of Washington.

PARCEL "K":

The East $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT that portion thereof lying within the boundaries of that certain 50 foot wide strip of land conveyed to Puget Sound and Cascade Railway Company by deed recorded December 11, 1915 under Auditor's File No. 111086, in Volume 101 of Deeds, page 631, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

PARCEL "L":

The Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT that portion thereof lying within the boundaries of the as built and existing State Highway right of way running through said subdivision, commonly known as Clear Lake Road and also known as College Way.

Situate in the County of Skagit, State of Washington.



200604270155

Skagit County Auditor

PARCEL "M":

That portion of the Northeast ¼ of the Southwest ¼ and the Northwest ¼ of the Southeast ¼ of Section 15, Township 34 North, Range 4 East W.M., lying Northerly of State Highway No. 538

Situate in the County of Skagit, State of Washington.

PARCEL "N":

The Southwest ¼ of the Northeast ¼ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT the 50 foot wide right of way conveyed to the Puget Sound and Cascade Railway Company by deed recorded under Auditor's File No. 110943, in Volume 101 of Deeds, page 586, records of Skagit County, Washington; AND ALSO EXCEPT the North 30 feet thereof conveyed to Skagit County for road purposes by deed recorded under Auditor's File No. 77104, in Volume 65 of Deeds, page 189, records of Skagit County, Washington; AND ALSO EXCEPT that portion thereof lying within the as built and existing County Road running along the North line thereof commonly known as McLaughlin Road.

Situate in the County of Skagit, State of Washington.

PARCEL "O":

The Southeast ¼ of the Northwest ¼ of Section 15, Township 34 North, Range 4 East W.M., EXCEPT the State Highway right of way running along a portion of the South line thereof, AND EXCEPT the as built and existing County road running along the North line thereof commonly known as the McLaughlin Road.

EXCEPT from all of Parcel "O" hereinabove the following described tracts:

- 1.) The West 208.7 feet of the South 626.1 feet of that portion of said Southeast ¼ of the Northwest ¼, lying North of State Road No. 1-G.



200604270155

Skagit County Auditor

PARCEL "O" Continued:

2.) Beginning at the Northwest corner of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said Section; thence South along the West line thereof 20 feet to the Southerly line of McLaughlin Road and the true point of beginning; thence continuing South along said West line 666.63 feet to the Northwest corner of that certain parcel described in real estate contract in favor of Kenneth Moore and Phyllis Marie Moore and recorded under Auditor's File No. 8305270054; thence East along the North line of said Moore parcel and said line extended 980.15 feet; thence North parallel to the West line of said Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ 666.63 feet, more or less, to the South line of McLaughlin Road; thence West along the South line to the point of beginning.

Situate in the County of Skagit, State of Washington.

PARCEL "P":

The Westerly $\frac{1}{2}$ of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company by Deed dated April 4, 1890, and recorded July 13, 1890, in Volume 10 of Deeds, page 651, records of Skagit County, Washington, being a portion of the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "Q":

The Easterly $\frac{1}{2}$ of that portion of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company by Deed dated April 4, 1890, and recorded July 13, 1890, in Volume 10 of Deeds, page 651, records of Skagit County, Washington, which lies Southerly of a line drawn perpendicular through the centerline of said 100 foot wide strip of land and through the point of divergence of the Easterly right-of-way line of said 100 foot wide strip of land and the Westerly right-of-way line of the road right-of-way commonly known as State Highway No. 9, being a portion of the North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.



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Skagit County Auditor

PARCEL "R":

Those two fifty foot by fifteen hundred foot strips of land conveyed to the Seattle Lake Shore and Eastern Railway Company by deeds dated April 4, 1890, and recorded July 13, 1890, and July 25, 1890, in Volume 10 of Deeds, pages 653 and 759, records of Skagit County, Washington, being portions of the North ½ of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "S":

The Westerly ½ of that portion of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company by Deed dated July 17, 1891, and recorded July 25, 1891, as auditor's File No. 3823, in Volume 20 of Deeds, page 504, records of Skagit County, Washington, lying within the Northwest ¼ of the Southwest ¼ of Section 14, Township 34 North, Range 4 East W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "T":

That certain 20 foot wide strip of land conveyed to the Northern Pacific Railway Company by Deed dated April 15, 1914, and recorded April 21, 1914, as Auditor's File No. 102078, in Volume 96 of Deeds, page 509, records of Skagit County, Washington, being a portion of the Northwest ¼ of the Southwest ¼ of Section 14, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "U":

That portion of the Northwesterly ½ of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company, by Deed recorded June 2, 1890, in Volume 10 of Deeds, page 574, records of Skagit County, Washington, which lies within the East ½ of the Southwest ¼ of Section 11, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington.



PARCEL "V":

That portion of the Northwesterly ½ of that certain 100 foot wide strip of land conveyed to the Seattle Lake Shore and Eastern Railway Company, by deed recorded June 2, 1890, in Volume 10 of Deeds, page 577, records of Skagit County, Washington, which lies within the Southeast ¼ of Section 11, Township 34 North, Range 4 East, W.M., and lies Southwesterly of the Southeasterly extension of the Northeasterly line of that certain tract conveyed to Robert G. Lundvall, et ux., by deed recorded September 3, 1982, as Auditor's File No. 8209030067.

Situate in the County of Skagit, State of Washington.

PARCEL "W":

That portion of the following described tract lying within the Southwest ¼ of the Northwest ¼ of Section 14, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the North line of Section 14 with the Westerly line of the right of way of the Seattle Lake Shore and Eastern Railway Company, as said right of way was conveyed by deeds recorded in Volume 10 of Deeds, pages 651 to 654, records of Skagit County, Washington;
thence Southwesterly along said right of way, 1,494.24 feet to the true point of beginning;
thence North 60°30' West, 1,683 feet, more or less, to a point 396 feet South of the Northwest corner of said Section 14;
thence South along the West line of the Section to a point 660 feet North of the Southwest corner of the Northwest ¼ of said Section;
thence East 871.2 feet, more or less, to the Westerly line of the said railway company right of way;
thence Northeasterly along said right of way to the true point of beginning,

EXCEPT the 50 foot wide right of way of the Puget Sound and Cascade Railway Company, as said right of way was reserved in deed recorded under Auditor's File No. 138390, in Volume 115 of Deeds, page 619, records of Skagit County, Washington,

AND ALSO EXCEPT that portion, if any, lying within the as built and existing extension of the Gunderson County Road.

Situate in the County of Skagit, State of Washington.



PARCEL "X":

That portion of the South 660 feet of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East, W.M., lying Westerly of the West line of the 200 foot wide right of way and depot grounds of the Seattle Lake Shore and Eastern Railway Company, as said right of way and depot grounds were conveyed to said railway company by deeds recorded in Volume 10 of Deeds, page 651 to 654, records of Skagit County, Washington,

EXCEPT that certain 50 foot wide strip of land conveyed to Puget Sound and Cascade Railway Company by deed recorded under Auditor's File No. 111086, in Volume 101 of Deeds, page 631, records of Skagit County, Washington,

AND ALSO EXCEPT that portion of the South 30 feet of the East 105 feet of that portion of said Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$, lying West of the West line of the right of way of the Northern Pacific Railway, as said right of way existed on June 6, 1927.

Said portion being the non-vacated portion of Coltrine #211 County Road, said road being previously conveyed to Skagit County by deeds recorded under Auditor's File Nos. 75461 and 75462 in Volume 78 of Deeds, page 223, and portions of said road being vacated by Order of Vacation entered in Volume 12 of Commissioner's Records, page 479, records of Skagit County, Washington,

AND ALSO EXCEPT that portion, if any, lying within the boundaries of the as built and existing County road commonly known Gunderson Road and formerly known as Coltrine Road, extending into said property.

Situate in the County of Skagit, State of Washington.

PARCEL "Y":

That portion of the Northwest $\frac{1}{4}$ of Section 14, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the intersection of the East line of the Northern Pacific Railway right of way with the South line of the said Northwest $\frac{1}{4}$;
thence East 606 feet, more or less, to the West line of the Big Lake Road;



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Skagit County Auditor

PARCEL "Y" Continued:

thence Northerly along said West line of road to intersection with the East line of the Northern Pacific Railway right of way;
thence Southwesterly along the East line of the Northern Pacific Railway right of way to the point of beginning.

EXCEPT road right of way.

Situate in the County of Skagit, State of Washington.

PARCEL "Z":

The Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 11, Township 34 North, Range 4 East, W.M., EXCEPT County road right of way.

Situate in the County of Skagit, State of Washington.

EXCEPT from the above Parcels any portion lying within that right-of-way conveyed by deed recorded October 26, 2004, under Auditor's File No. 200410260120.



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Skagit County Auditor

4/27/2006 Page 34 of 34 3:39PM