

When recorded mail to:
Equity Loan Services, Inc.
1100 Superior Avenue, Suite 200
Cleveland, Ohio 44114
Attn: Recording Coordinators



200807220052
Skagit County Auditor

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Tax Parcel No: P50125
Title Order No: WILD
Reference No: 325.0000004026.A02

DEED OF TRUST

THIS DEED OF TRUST, made this 14th day of July, 2008, between
GRANTOR(S) RICHARD J. ARENDSE AND JACQUELINE G. ARENDSE, HUSBAND AND WIFE

21221 Prairie Rd
Sedro Woolley WA 98284
TRUSTEE(S) TRUSTEE SERVICES, INC
PO BOX 2980 SILVERDALE WA 98383

Wild
GUARDIAN NORTHWEST TITLE CO.
ACCOMMODATION RECORDING ONLY

and School Employees Credit Union of Washington, Beneficiary, whose address is:
325 Eastlake Avenue East, Seattle WA 98109-5466

Witnesseth: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in SKAGIT County, Washington.

ABBRV. LEGAL: PTN E 1/2 SW 1/4 NW 1/4 SEC 27 T36N R4E WM
See Attached.

ARENDSE
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which real property is not used principally for agriculture or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues, and profits thereof.

This deed is for the purpose of securing performance of each agreement of the Grantor herein contained, and payment of the sum of Fifty Thousand and 00/100 DOLLARS

Dollars (\$50,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications, and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor conveys and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure, or improvement being built or about to be built thereon; to restore promptly any building, structure, or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulation, covenants, conditions, and restrictions affecting the property.

2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.

3. To keep all building now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to beneficiary as its interest may appear and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

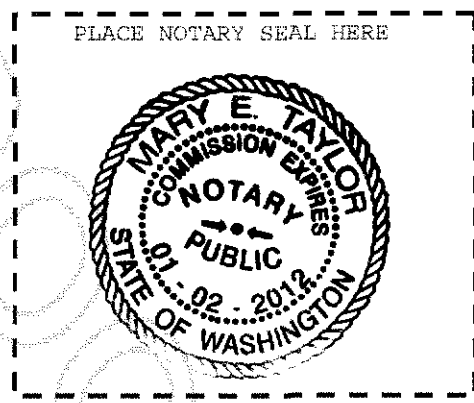
6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

(continued on reverse side)

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion thereof as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to such obligation.
2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto. Grantor agrees to pay all other fees and charges related to releasing the security upon full payment including any recording costs and reconveyance fees for preparing documents in connection with the release of security.
4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee or Trustee's authorized agent shall sell the trust property, in accordance with the Deed of Trust Act of the state of Washington (as amended) at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto or shall be deposited (less clerk's filing fee) with the clerk of the superior court of the county in which the sale takes place.
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchase the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance and conclusive evidence thereof in favor of bonafide purchasers and encumbrancers for value.
6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
7. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiary shall appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor Trustee shall be vested with all powers of the original Trustee. The 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, Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
8. Grantor shall not sell, or transfer its interest in the Real Property or any interest or part thereof, without the Lender's prior written consent. A sale, assignment, 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, or by any other method of conveyance of real property interest. Transfer also includes any change in ownership of more than fifty percent (50%) of the interests of Grantor. However, this option shall not be exercised by Lender if exercise is prohibited by federal law or by Washington law.
9. This Deed of Trust applied to, insures to the benefit of and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, successors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not names as Beneficiary herein.

X Richard A. Aurdse
 X Jacqueline D. Aurdse



STATE OF WASHINGTON
 COUNTY OF Skagit

I certify that I know or have satisfactory evidence that Richard J. & Jacqueline D. Aurdse is (are) the person(s) who appeared before me, and said person(s) acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

Dated July 17 2008 Mary E. Taylor
 Notary Public
 My appointment expires 01.2.2012



200807220052
 Skagit County Auditor

EXHIBIT A

UNMOUNTED

THAT PORTION OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 27, TOWNSHIP 36 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN, LYING NORTH OF THE SAMISH RIVER, EXCEPT COUNTY ROADS, AND EXCEPT THAT PORTION CONVEYED TO SKAGIT COUNTY FOR ROAD BY DEED DATED JULY 24, 1963, RECORDED JULY 25, 1963 UNDER AUDITOR'S FILE NO. 638765, AND ALSO EXCEPT THE FOLLOWING DESCRIBED TRACTS:

1) BEGINNING AT THE NORTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4, THENCE WEST 360 FEET, MORE OR LESS, TO THE PRESENT CENTER OF THE CREEK RUNNING THROUGH THE SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE SOUTH 15 FEET ALONG THE CENTER OF SAID CREEK; THENCE EAST 360 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE NORTH TO THE POINT OF BEGINNING.

2) BEGINNING AT A POINT 15 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE WEST 50 FEET; THENCE SOUTH TO THE NORTH LINE OF THE COUNTY ROAD; THENCE EASTERLY ALONG THE NORTH LINE OF THE COUNTY ROAD TO THE EAST LINE OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE NORTH TO THE POINT OF BEGINNING.

3) BEGINNING AT A POINT WHERE THE NORTH LINE OF SAID SOUTHWEST 1/4 OF SAID NORTHWEST 1/4 CROSSES THE EAST LINE OF THE C.C.C. ROAD THROUGH SAID TRACT THE POINT OF BEGINNING; THENCE EAST ALONG THE NORTH LINE OF SAID SOUTHWEST 1/4 OF THE NORTHWEST 1/4 TO THE WEST BANK OF PARSON CREEK; THENCE SOUTHWEST TO A POINT ON THE SAID C.C.C. ROAD 40 FEET SOUTH OF THE POINT OF BEGINNING; THENCE NORTH ALONG SAID C.C.C. ROAD TO THE POINT OF BEGINNING (BEING THAT PORTION OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 IN SAID SUBDIVISION CONVEYED TO JOHN R. GASHO BY DEED DATED APRIL 16, 1956, RECORDED OCTOBER 1, 1956 UNDER AUDITOR'S FILE NO. 342225).

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EXHIBIT A
(continued)

4) BEGINNING AT THE INTERSECTION OF THE OLD LOGGING GRADE WITH THE COUNTY ROAD IN SAID SUBDIVISION; RUNNING THENCE IN A NORTHWESTERLY DIRECTION ALONG THE EASTERLY LINE OF THE LOGGING GRADE 275 FEET, MORE OR LESS, TO A POINT 15 FEET SOUTH OF THE NORTH LINE OF SAID SOUTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE EAST TO A POINT 50 FEET WEST OF THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4; THENCE SOUTH TO THE COUNTY ROAD; THENCE WESTERLY ALONG SAID ROAD 175 FEET, MORE OR LESS, TO THE POINT OF BEGINNING (BEING THAT PORTION OF THE EAST 1/2 OF THE NORTHWEST 1/4 IN SAID SUBDIVISION CONVEYED TO WILLIAM A. SMITH BY DEED DATED MARCH 16, 1944, RECORDED OCTOBER 2, 1945 UNDER AUDITOR'S FILE NO. 383689).

5) BEGINNING AT THE NORTHWEST CORNER OF THE ABOVE DESCRIBED SUBDIVISION; THENCE SOUTH ALONG THE WEST LINE OF SAID SUBDIVISION 167.09 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 35 DEGREES 40 MINUTES EAST 480.45 FEET TO A POINT ON THE CENTER LINE OF PRAIRIE ROAD NO. XXIV; THENCE SOUTHWESTERLY ALONG THE CENTER LINE OF SAID PRAIRIE ROAD TO THE WEST LINE OF SAID SUBDIVISION; THENCE NORTH ALONG SAID WEST LINE TO THE TRUE POINT OF BEGINNING.

SITUATED IN THE COUNTY OF SKAGIT AND STATE OF WASHINGTON.

ABBRV. LEGAL:

PTN E 1/2 SW 1/4 NW 1/4 SEC 27 T36N R4E WM

BEING ALL OF THAT CERTAIN PROPERTY CONVEYED TO RICHARD J. ARENDSE AND JACQUELINE G. ARENDSE, HUSBAND AND WIFE FROM WALTER HARLAN PRESTON, JR. AND KATHERINE MARIE (DAHMEN) DAHL BY DEED DATED MAY 4, 1987 AND RECORDED MAY 6, 1987 IN INSTRUMENT NO. 8705060081, PAGE N/A IN THE LAND RECORDS OF

38130940



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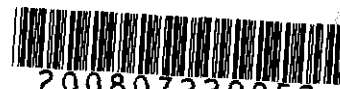
Skagit County Auditor

EXHIBIT A
(continued)

SKAGIT COUNTY, WA.

Permanent Parcel Number: P50125
RICHARD J. ARENDSE AND JACQUELINE G. ARENDSE, HUSBAND AND WIFE

21221 PRAIRIE ROAD, SEDRO WOOLLEY WA 98284
Loan Reference Number : 4026
First American Order No: 38130940
Identifier: FIRST AMERICAN LENDERS ADVANTAGE



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