

AFTER RECORDING MAIL TO:



200811240148
Skagit County Auditor

11/24/2008 Page 1 of 6 3:21PM

Name

Address

City, State, Zip

Filed for Record at Request of:

DEED OF TRUST

(For use in the state of Washington only)

Grantor(s) SVCD LLC dba Anaco Development Group

Grantee(s) Kimberlee M. Ray

Trustee CHICAGO TITLE CO.

Abbreviated Legal: See Attachment "A"

Additional Legal on page: L.T.E OF SP ANA-DL6-001

Assessor's tax parcel/Account Nos: P125996

THIS DEED OF TRUST, made this 21st day of November, 2008, between
SVCD LLC dba Anaco Development Group GRANTOR(S)
whose street address is 1015 14th St., Anacortes, WA TRUSTEE,
whose street address is Kimberlee M. Ray, and
whose street address is 407 Pine Street, Mount Vernon, WA BENEFICIARY,

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Skagit County, Washington:

which real property is not used principally for agricultural purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s) contained in this Deed of Trust, and payment of the sum of Five Thousand Dollars (\$ 5,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor(s), and all renewals, modifications, and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of the Grantor(s)' successors or assigns, together with interest thereon at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on ~~upon sale of one of the lots~~

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste of the property; to complete any building, structure, or improvement being built or about to be built on the property; to restore promptly any building, structure, or improvement on the property which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, 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 buildings now or hereafter erected on the property 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 the Beneficiary, as its interest may appear, and then to the Grantor(s). The amount collected under any insurance policy may be applied upon any indebtedness secured by this Deed of Trust 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(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To 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 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 by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.

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

7. **DUE ON SALE: (OPTIONAL - Not applicable unless initialed by Grantor and Beneficiary)** The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.



Grantor (Initials)



Beneficiary (Initials)

IT IS MUTUALLY AGREED THAT:

8. 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 as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.

9. By accepting payment of any sum secured by this Deed of Trust 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.

10. 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 Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, 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; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor(s) had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor(s) may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.

13. 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.

14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may 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 an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

15. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.



16. ADDITIONAL TERMS AND CONDITIONS: (check one)

a. NONE

OR

b. As set forth on the attached "Exhibit A" which is incorporated by this reference.

(Note: If neither a nor b is checked, then option "a" applies)

Dated: 11/21/08

SVCD LLC dba Anaco Development Group

[Handwritten Signature] [Handwritten Signature]

STATE OF _____)
COUNTY OF _____)

I certify that I know or have satisfactory evidence that
(is/are) the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument and acknowledged it to
be (his/her/their) free and voluntary act for the uses and purposes mentioned in this instrument.

Dated:

Notary Public in and for the state of _____
Residing at _____
My appointment expires: _____

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated:



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Skagit County Auditor

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STATE OF WASHINGTON

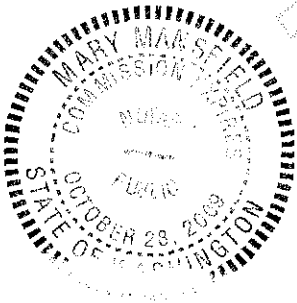
COUNTY OF Skagit

I certify that I know or have satisfactory evidence that William Brock ^{are} ~~is~~ the person who appeared before me, and said person acknowledged that they signed this instrument, on oath stated that they are authorized to execute the instrument and acknowledged it as

members of SVC LLC dba Anaco*

to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument. * Development group

DATED: 11-21-08



Mary Mastfield

Notary Public in and for the State of Washington

Residing at: Anaco

My commission expires: 10-28-09



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ATTACHMENT "A"

To be attached to Deed of Trust between SVCD LLC dba Anaco Development Group and Kimberlee M. Ray dated November 21, 2008.

LEGAL DESCRIPTIONS:

P125996 Acreage Account, Acres 0.18, Lot E of Stone Hedge Short Plat ANA-06-001 recorded under AF#200704110101, being a portion of the NE ¼ of the NW1/4 of the NW1/4.

P125995 Acreage Account, Acres 0.18, Lot D of Stone Hedge Short Plat ANA-06-001 recorded under AF#200704110101, being a portion of the NE ¼ of the NW1/4 of the NW1/4.

P125994 Acreage Account, Acres 0.19, Lot C of Stone Hedge Short Plat ANA-06-001 recorded under AF#200704110101, being a portion of the NE ¼ of the NW1/4 of the NW1/4.

P125993 Acreage Account, Acres 0.20, Lot B of Stone Hedge Short Plat ANA-06-001 recorded under AF#200704110101, being a portion of the NE ¼ of the NW1/4 of the NW1/4.

P125992 Acreage Account, Acres 0.19, Lot A of Stone Hedge Short Plat ANA-06-001 recorded under AF#200704110101, being a portion of the NE ¼ of the NW1/4 of the NW1/4.

P58982 First Plat Ship Harbor to Anacortes, a Portion of Block 12, Lots 9 through 16 and the northerly 40 feet of D Avenue lying southerly and adjacent to Lot 9.

P125346

LOT 2 OF SURVEY RECORDED UNDER AF#200612200173 AKA COMMENCING AT THE MOST SOUTHERLY CORNER OF LOT 2 OF BOUNDARY LINE ADJUSTMENT RECORDED UNDER AUDITOR'S FILE NO. 200403020078, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTH 32 DEGREES 07' 33" EAST A DISTANCE OF 110.67 FEET TO THE POINT OF BEGINNING; THENCE NORTH 79 DEGREES 34' 50" WEST A DISTANCE OF 176.93 FEET TO THE EASTERLY LINE OF MARINE DRIVE; THENCE NORTH 44 DEGREES 02' 01" EAST A DISTANCE OF 117.92 FEET ALONG THE EASTERLY LINE OF MARINE DRIVE; THENCE SOUTH 57 DEGREES 58' 11" EAST A DISTANCE OF 111.54 FEET; THENCE SOUTH 14 DEGREES 18' 45" WEST A DISTANCE OF 36.41 FEET; THENCE SOUTH 75 DEGREES 00' 51" EAST A DISTANCE OF 16.72 FEET; THENCE SOUTH 28 DEGREES 13' 01" WEST A DISTANCE OF 20.44 FEET TO THE POINT OF BEGINNING.

P121953

LOT C OF SURVEY RECORDED UNDER AF#200612200173 AKA COMMENCING AT THE MOST WESTERLY CORNER OF LOT A OF THE MARINE POINT SHORT PLAT AS RECORDED UNDER AUDITOR'S FILE NO. 200408250062, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTH 32 DEGREES 07' 33" EAST A DISTANCE OF 110.67 FEET; THENCE NORTH 28 DEGREES 13' 01" EAST A DISTANCE OF 20.44 FEET TO THE POINT OF BEGINNING; THENCE NORTH 75 DEGREES 00' 51" WEST A DISTANCE OF 16.72 FEET; THENCE NORTH 14 DEGREES 18' 54" EAST A DISTANCE OF 36.41 FEET THENCE NORTH 51 DEGREES 23' 54" EAST A DISTANCE OF 63.58 FEET THENCE SOUTH 57 DEGREES 58' 11" EAST A DISTANCE OF 71.09 FEET; THENCE SOUTH 81 DEGREES 49' 00" EAST A DISTANCE OF 31.33 FEET TO THE WESTERLY LINE OF MARINE DRIVE; THENCE SOUTH 08 DEGREES 11' 00" WEST A DISTANCE OF 70.95 FEET ALONG SAID WESTERLY LINE; THENCE NORTH 75 DEGREES 00' 51" WEST A DISTANCE OF 128.07 FEET TO THE POINT OF BEGINNING.



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ATTACHMENT "A"

LEGAL DESCRIPTIONS:

P123273

LOT 4 OF SURVEY RECORDED UNDER AF#200612200173 AKA COMMENCING AT THE MOST SOUTHERLY CORNER OF LOT 2 OF BOUNDARY LINE ADJUSTMENT RECORDED UNDER AUDITOR'S FILE NO. 200403020078, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTH 32 DEGREES 07' 33" EAST A DISTANCE OF 110.67 FEET; THENCE NORTH 28 DEGREES 13' 01" EAST A DISTANCE OF 110.41 FEET TO THE POINT OF BEGINNING; THENCE NORTH 28 DEGREES 13' 01" EAST A DISTANCE OF 20.06 FEET; THENCE NORTH 57 DEGREES 58' 11" WEST A DISTANCE OF 114.28 FEET TO THE EASTERLY LINE OF MARINE DRIVE; THENCE NORTH 44 DEGREES 02' 01" EAST A DISTANCE OF 55.31 FEET ALONG THE EASTERLY LINE OF MARINE DRIVE; THENCE ALONG A CURVE TO THE RIGHT ON SAID LINE HAVING A RADIUS OF 103.25 FEET, LENGTH OF 242.40 FEET, AND A DELTA ANGLE OF 134 DEGREES 30' 48"; THENCE SOUTH 14 DEGREES 30' 39" WEST A DISTANCE OF 2.47 FEET; THENCE SOUTH 08 DEGREES 11' 00" WEST A DISTANCE OF 62.98 FEET ON SAID LINE; THENCE NORTH 81 DEGREES 49' 00" WEST A DISTANCE OF 23.60 FEET ON SAID LINE; THENCE SOUTH 08 DEGREES 11' 00" WEST A DISTANCE OF 30.00 FEET ON SAID LINE; THENCE NORTH 81 DEGREES 49' 00" WEST A DISTANCE OF 31.33 FEET; THENCE NORTH 57 DEGREES 58' 11" WEST A DISTANCE OF 71.09 FEET TO THE POINT OF BEGINNING.

P61871

LOT 3 OF SURVEY RECORDED UNDER AF#200612200173 AKA COMMENCING AT THE MOST SOUTHERLY CORNER OF LOT 2 OF BOUNDARY LINE ADJUSTMENT RECORDED UNDER AUDITOR'S FILE NO. 200403020078, RECORDS OF SKAGIT COUNTY, WASHINGTON; THENCE NORTH 32 DEGREES 07' 33" EAST A DISTANCE OF 110.67 FEET; THENCE NORTH 28 DEGREES 13' 01" EAST A DISTANCE OF 20.44 FEET; THENCE NORTH 75 DEGREES 00' 51" WEST A DISTANCE OF 16.72 FEET; THENCE NORTH 14 DEGREES 18' 45" EAST A DISTANCE OF 36.41 FEET TO THE POINT OF BEGINNING; THENCE NORTH 57 DEGREES 58' 11" WEST A DISTANCE OF 111.54 FEET TO THE EASTERLY LINE OF MARINE DRIVE; THENCE NORTH 44 DEGREES 02' 01" EAST A DISTANCE OF 81.79 FEET ALONG THE EASTERLY LINE OF MARINE DRIVE; THENCE SOUTH 57 DEGREES 58' 11" EAST A DISTANCE OF 114.28 FEET; THENCE SOUTH 28 DEGREES 13' 01" WEST A DISTANCE OF 20.06 FEET; THENCE SOUTH 51 DEGREES 23' 34" WEST A DISTANCE OF 63.58 FEET TO THE POINT OF BEGINNING.



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