When recorded return to:



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Michael A. Winslow
411 Main Street
Mount Vernon, Washington 98273

Notice of Trustee's Sale

Grantors:

Michael A. Winslow, Successor Trustee

Grantees:

William N. Kaaland and Patty L. Kaaland, husband and wife, Grantors

under the Deed of Trust

Legal Description

Short Legal Description

Portion of the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East W.M.

Full legal description follows on page 2.

Assessor's Property Tax

Parcel or Account No.:

350436-4-001-0004, 350436-4-001-0103, 350436-4-002-0003,

350436-4-003-0002, 350436-0-004-0400

Reference Nos of Documents

Assigned or Released:

200703160123

NOTICE OF TRUSTEE'S SALE

PURSUANT TO RCW 61.24, ET SEQ.

TO: William N. Kaaland

12082 Mountain Lane Sedro-Woolley, WA 98284 Occupant 12082 Mountain Lane Sedro-Woolley, WA 98284

Patty L. Kaaland 12082 Mountain Lane Sedro-Woolley, WA 98284

Internal Revenue Service 915 Second Avenue Seattle, WA 98174

State of Washington - DSHS P.O. Box 11520 Tacoma, WA 98411-5520

1. NOTICE IS HEREBY GIVEN that the undersigned Trustee will on November 13, 2009, at the hour of 10:00 a.m. on the first floor of the Skagit County Courthouse, 205 Kincaid Street, Mount Vernon, Skagit County, Washington, sell at public auction to the highest and best bidder, payable at the time of sale, the following described real property, situated in Skagit County, Washington, to wit:

PARCEL "A":

The East 23.5 acres of the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East W.M.

TOGETHER WITH a non-exclusive 50-foot wide easement for ingress, egress and utilities over, under and across those portions of Government Lots 1 and 2 described on pages 8 and 9 of 11 on document recorded as Auditor's File No. 200406250134 and as reserved in that certain deed recorded as Auditor's File No. 200411120012 at Paragraph J, on page 4 of 5.

EXCEPT that portion of the East 23.5 acres of the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M., described as follows:

Beginning at the point 600 feet North of the Southeast corner of the Southwest 1/4 of the Southeast 1/4; thence North 145 feet; thence West 145 feet; thence South 145 feet; thence East 145 feet to the point of beginning.

PARCEL "B":

That portion of the East 23.5 acres of the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M., described as follows:

Beginning at the point 600 feet North of the Southeast corner of the Southwest 1/4 of the Southeast 1/4; thence North 145 feet; thence West 145 feet; thence South 145 feet; thence East 145 feet to the point of beginning.

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PARCEL "C":

The Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M., EXCEPT the East 23.5 acres thereof, EXCEPT rights-of-way of Northern Pacific Railroad Company, Puget Sound & Cascade Railway Company and Puget Sound Pulp & Timber Company, EXCEPT State Road No. 1-A, commonly known as Highway No. 9, and EXCEPT THAT PORTION LYING WITHIN THE WEST 105.00 feet (as measured perpendicular to the West line) of the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M.,

PARCEL "D":

The rights-of-way of the former Northern Pacific Railroad Company, the former Puget Sound & Cascade Railway Company and the Puget Sound Pulp & Timber Company across the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M. EXCEPT THAT PORTION LYING WITHIN THE West 105.00 feet (as measured perpendicular to the West line) of the Southwest 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M..

PARCEL "E":

That portion of the Southeast 1/4 of the Southeast 1/4 of Section 36, Township 35 North, Range 4 East, W.M., being more particularly described as follows:

BEGINNING at the Southwest corner of said Southeast 1/4 of the Southeast 1/4; thence North 0 Degrees, 6 Minutes 19 Seconds East along the West line of said Southeast 1/4 of the Southeast 1/4 for a distance of 730.00 feet;

Thence South 28 Degrees, 10 Minutes 47 Seconds East for a distance of 607.16 feet; Thence South 0 Degrees, 6 Minutes 19 Seconds West for a distance of 201.90 feet, more or less, to the South line of said Southeast 1/4 of the Southeast 1/4 at a point of bearing South 88 Degrees, 35 Minutes 18 Seconds East from the POINT OF BEGINNING; Thence North 88 Degrees, 35 Minutes 18 Seconds West along said South line for a distance of 287.78 feet, more or less, to the POINT OF BEGINNING.

Situate in the State of Washington, County of Skagit.

commonly known as 12082 and XXXXX Mountain Lane, Sedro-Woolley, WA 98284, which is subject to that certain Deed of Trust dated March 14, 2007, recorded under Auditor's File No. 200703160123, records of Skagit County, Washington, from William N. Kaaland and Patty L. Kaaland, husband and wife, as Grantors, to First American Title Company, now known as "Guardian Northwest Title Company," as Trustee, to secure an obligation in favor of Business Bank of Skagit County.

2. No action commenced by the Beneficiary of the Deed of Trust or the Beneficiary's successor is now pending to seek satisfaction of the obligation in any Court by reason of the Borrower's or Grantor's default on the obligation secured by the Deed of Trust.

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3. The defaults for which this foreclosure is made are as follows:

Non-monetary defaults: Real property taxes, penalties and interest owing for 2009 in the amount of \$2,647.76.

b. Failure to pay when due the following amounts which are now in arrears:

 Principal
 \$ 704,887.35

 Interest due
 \$ 23,787.88

 TOTAL PRINCIPAL AND INTEREST DUE
 \$ 728,675.23

4. The principal sum owing on the obligation secured by the Deed of Trust is \$704,887.35, together with interest as provided in the note or other instrument secured from March 14, 2007, and such other costs and fees as are due under the note or other instrument secured, and as are provided by statute.

- 5. The above described real property will be sold to satisfy the expense of sale and obligation secured by the Deed of Trust as provided by statute. The sale will be made without warranty, express or implied, regarding title, possession, or encumbrances on November 13, 2009. The sale may be terminated any time before the sale by the Borrower or Grantor, any Guarantor, or the holder of any recorded junior lien or encumbrance by paying the entire principal and interest secured by the Deed of Trust, plus costs, fees, and advances, if any, made pursuant to the terms of the obligation and/or Deed of Trust, and curing all other defaults.
- 6. A written notice of default was transmitted by the Beneficiary or Trustee to the Borrower and Grantor or the Grantor's successor in interest at the following address:

William N. Kaaland 12082 Mountain Lane Sedro-Woolley, WA 98284 Patty L. Kaaland 12082 Mountain Lane Sedro-Woolley, WA 98284

by both first class and certified mail on July 8, 2009, proof of which is in the possession of the Trustee; and the Borrower and the Grantor or the Grantor's successor in interest was personally served on July 13, 2009, with said written notice of default or the written notice of default was posted in a conspicuous place on the real property described in paragraph I above, and the Trustee has possession of proof of such service or posting.

- 7. The Trustee whose name and address are set forth below will provide in writing to anyone requesting it, a statement of all costs and fees due at any time prior to the sale.
- 8. The effect of the sale will be to deprive the Grantor and all those who hold by, through or under the Grantor of all their interest in the above-described property.
- 9. Anyone having any objection to the sale on any grounds whatsoever will be afforded an opportunity to be heard as to those objections if they bring a lawsuit to restrain the sale pursuant to RCW 61.24.130. Failure to bring such a lawsuit may result in a waiver of any proper grounds for invalidating the Trustee's sale.

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NOTICE TO OCCUPANTS OR TENANTS

- The purchaser at the Trustee's Sale is entitled to possession of the property on the 20th day following the sale, as against the Grantor under the Deed of Trust (the owner) and anyone having an interest junior to the Deed of Trust, including occupants who are not tenants. After the 20th day following the sale, the purchaser has the right to evict occupants and tenants by summary proceeding under RCW Chapter 59.12. For tenant-occupied properties, the purchaser shall provide tenant with written notice in accordance with RCW 61.24.060.
- 11. The Trustee makes no representations or warranties concerning what interest in the real property described above is being sold. The Deed of Trust lien foreclosed may not be a first lien position or there may be other prior encumbrances of title. The Trustee is not required to provide title information concerning this property. Any person interested in this foreclosure is encouraged to make his or her own investigation concerning the ownership of the property and the position on title of the Deed of Trust being foreclosed. Any person interested in the foreclosure is also encouraged to consult an attorney, as the Trustee will not provide legal advice concerning the foreclosure. The Trustee does not provide information concerning the location of the debtors nor concerning the condition of the property. No representation or warranties are made concerning the physical condition of the property or whether there are any environmental or hazardous waste liabilities or problems connected with this property. Any person desiring title information, information concerning the physical condition of the property, information concerning any hazardous waste or environmental issues or other information about the real property being foreclosed must obtain all such information independently.

FAIR DEBT COLLECTION PRACTICE ACT NOTICE

Any information obtained from the debtor will be used for the purpose of collecting the debt.

Michael A. Winslow, Successor Trustee

Attorney at Law 411 Main Street

Mount Vernon, WA 98273

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State of Washington)
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County of Skagit)

I certify that I know or have satisfactory evidence that Michael A. Winslow, is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes in the instrument.

DATED: August 14, 2009.

Notary Public

My appointment expires