

WHEN RECORDED RETURN TO:

BAILEY, DUSKIN & PEIFFLE, P.S.
PO Box 188 Arlington, WA 98223



201201120042
Skagit County Auditor

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DEED OF TRUST

GRANTOR: JONES, TAYLOR M. & ANGELA M., h&w
GRANTEES: JONES, MICHAEL J. & MARJORIE N., h&w
LEGAL (abbrev.): Leila Buck's Replat Lot 74 LT B, Survey recorded AF#200807280211
Property ID: 83271

THIS DEED OF TRUST, made this ____ day of January, 2012, between TAYLOR M. JONES and ANGELA M. JONES, husband and wife, Grantor, whose address is 215 N. Olympic Avenue, Arlington, Washington 98223, and Chicago Title Insurance Company, Trustee, whose address is 425 Commercial Street, Mount Vernon, Washington 98273, and MICHAEL J. JONES and MARJORIE N. JONES, husband and wife, Beneficiary, whose address is 215 N. Olympic Avenue, Arlington, Washington 98223.

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

LEILA BUCK'S REPLAT LOT 74 LT B, SURVEY RECORDED UNDER AF# 200807280211.

Said parcel is commonly known as 18615 West Big Lake Boulevard, Mount Vernon, Washington 98274, which property is not used principally for agricultural 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 Grantor herein contained, and payment of the sum of Three Hundred Fifty Thousand Dollars [\$350,000.00] with interest, in accordance with the terms of a Deed of Trust 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 covenants 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, 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 described herein continuously insured against all 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. 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 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 hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantors 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.

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 of the award as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said 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 convey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

4. If all or any part of the property or an interest therein is sold or transferred by Grantor without the Beneficiary's prior written consent, excluding a) the creation of a lien or encumbrance subordinate to this Deed of Trust; b) the creation of a purchase money security interest on household appliances; c) a transfer by devise, descent, or by operation of law upon the death of a joint tenant; or d) the grant of any leasehold interest of three years or less not containing an option to purchase, Beneficiary may, at Beneficiary's option, declare all of the sums secured by this Deed of Trust to be immediately due and payable.


5. 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



STATE OF WASHINGTON)
 : ss
COUNTY OF SNOHOMISH)

On this day personally appeared before me Angela M. Jones, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 11 day of January, 2012.


PRINT NAME: JANE E. JONES
NOTARY PUBLIC in and for the State of
Washington, residing at Cashan Island
My Appointment Expires: 12-31-2012


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: _____, 20____


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