



679562

Requested by/Return to:
Title365 (Omaha)
11010 Burdette Street
PO Box 641010
Omaha, NE 68164
Nancy A Nicholson

Prepared By and After Recording Return To:
BANK OF AMERICA, NA
Enterprise Document Processing
4909 Savarese Circle
Tampa, Florida 33634
Mailcode: FL1-908-01-66

[Space Above This Line For Recording Data]

DEED OF TRUST

Grantor(s) (Last name first, then first name and initials):

- 1. NICHOLSON, NANCY A
- 2. NICHOLSON, DAVID L
- 3.
- 4.
- 5.
- 6.

Additional names on page _____ of document.

Grantee(s) (Last name first, then first name and initials):

- 1. Bank of America, N.A.
- 2. Trustee: First American Title Insurance Company

Additional names on page _____ of document.

Legal Description (abbreviated: i.e., lot, block, plat or section, township, range):

ABBREVIATED LEGAL: LOT 116, NOOKACHAMP HILLS PUD,
PHASE IIB, AFN 200508230082, SKAGIT COUNTY, WA

Full legal description on page 25 of document.

Assessor's Property Tax Parcel(s) or Account Number(s): P123209

Reference Number(s) Assigned or Released:

Additional references on page _____ of document.

NANCY A NICHOLSON/995212901234490

WASHINGTON HOME EQUITY LINE OF CREDIT DEED OF TRUST
WAHESLBOA 09/16/20 Page 1 of 13

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DEFINITIONS

(A) **"Security Instrument"** means this document, which is dated DECEMBER 16, 2021, together with all Riders to this document.

(B) **"Borrower"** is NANCY A NICHOLSON, DAVID L NICHOLSON

the party or parties who have signed this Security Instrument.

Borrower is the trustor under this Security Instrument.

(C) **"Lender"** is Bank of America, NA

Lender is a NATIONAL BANKING ASSOCIATION organized and existing under the laws of THE UNITED STATES OF AMERICA
Lender's address is 100 North Tryon Street, Charlotte, North Carolina 28255

Lender is the beneficiary under this Security Instrument.

(D) **"Agreement"** means the Home Equity Line of Credit Agreement signed by the Borrower.

(E) **"Account"** means the Home Equity Line of Credit Account pursuant to which the Lender makes Advances to the Borrower at the Borrower's direction, allowing the Borrower to repay those Advances and take additional Advances, subject to the terms of the Agreement.

(F) **"Credit Limit"** means the maximum aggregate amount of principal that may be secured by this Security Instrument at any one time. The Credit Limit is \$25,000.00. Except to the extent prohibited by Applicable Law, the Credit Limit does not apply to interest, finance charges, and other fees and charges validly incurred by Borrower under the Agreement and this Security Instrument. The Credit Limit also does not apply to other advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

(G) **"Account Balance"** is the total unpaid principal of the Account, plus earned but unpaid finance charges, outstanding fees, charges, and costs.

(H) **"Maturity Date"** is the date on which the entire Account Balance under the Agreement is due. The entire Account Balance on your Account, as defined in the Agreement and this Security Instrument, is due on DECEMBER 16, 2051

(I) **"Property"** means the Property that is described below under the heading "Transfer of Rights in the Property."

(J) **"Secured Debt"** means:

(1) All amounts due under your Account, including principal, interest, finance charges, and other fees, charges, and costs incurred under the terms of this Security Instrument and all extensions, modifications, substitutions or renewals thereof.

(2) Any advances made and expenses incurred by Lender under the terms of this Security Instrument.

(K) **"Riders"** means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|--------------------------------------|---|---|
| <input type="checkbox"/> 1-4 Family | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Escrow Rider |
| <input type="checkbox"/> Second Home | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Mortgage Insurance Rider |
| <input type="checkbox"/> Other(s) | | |

(L) **"Applicable Law"** means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

NANCY A NICHOLSON/995212901234490

WASHINGTON HOME EQUITY LINE OF CREDIT DEED OF TRUST
WAHESI.BOA 09/16/20 Page 2 of 13

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(M) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(N) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(O) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Agreement and/or this Security Instrument.

(Q) "Approved Prior Loan" means a lien which is and which lender acknowledges and agrees will continue to have priority over the lien created by this Security Instrument.

(R) "Trustee" is First American Title Insurance Company.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Secured Debt under the Agreement, and all renewals, extensions and modifications of the Agreement; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Agreement. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the

COUNTY of SKAGIT :
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

SCHEDULE A ATTACHED HERETO AND MADE A PART OF.

which currently has the address of 23856 NOOKACHAMP HILLS DR
MOUNT VERNON WASHINGTON 982749167 ("Property Address"):
[City] [State] [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

ADVANCES. During the Draw Period described in the Agreement, the Borrower may repeatedly take and repay any advances that Lender makes to Borrower under the terms of the Agreement and this Security Instrument, subject to the terms that the Agreement and this Security Instrument impose. The Agreement

and this Security Instrument will remain in full force and effect notwithstanding that the Account Balance under the Agreement may occasionally be reduced to an amount of equal to or less than zero.

Any amounts that Lender advances to Borrower in excess of the Credit Limit will be secured by the terms of this Security Instrument unless applicable law prohibits the same. Lender shall not be obligated to increase the Credit Limit formally or to make additional Advances in excess of the Credit Limit stated in the Agreement even though the Credit Limit has been exceeded one or more times. The Draw Period may or may not be followed by a Repayment Period, as described in the Agreement, during which additional Advances are not available. During both the Draw Period and the Repayment Period the Lender may, at its option, make Advances from the Account to pay fees, charges, or credit insurance premiums due under the Agreement or this Security Instrument, or make other Advances as allowed by this Security Instrument.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Secured Debt. Borrower shall pay when due all Secured Debt in accordance with the Agreement and this Security Instrument. All payments shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Agreement or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Agreement or Security Instrument be by a method of Lender's choosing. These methods include, but are not limited to: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Billing Statement or at such other location as may be designated by Lender in accordance with the notice provisions provided in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Account current. Lender may accept any payment or partial payment insufficient to bring the Account current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Agreement and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. All payments accepted by Lender shall be applied to the Secured Debt under this Security Instrument as provided in the Agreement unless Applicable Law provides otherwise. Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Agreement shall not extend or postpone the due date, or change the amount, of the Minimum Payment.

3. Funds for Escrow Items. Borrower shall not be required to pay into escrow amounts due for taxes, assessments, leasehold payments, or other insurance premiums unless otherwise agreed in a separate writing.

4. Charges; Liens; Prior Security Interests. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in a manner provided in Section 3.

Borrower shall promptly discharge any lien, other than the Approved Prior Loan, which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, other than the Approved Prior Loan, Lender may give Borrower a notice identifying the lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth in this Section.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with the Agreement. Borrower shall pay when due, or shall cause to be paid when due, all sums required under the loan documents evidencing the Approved Prior Loan and shall perform or cause to be performed all of the covenants and agreements of Borrower or the obligor set forth in such loan documents. All of Lender's rights under this Covenant shall be subject to the rights of the Holder of the Approved Prior Loan.

5. Property Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Agreement. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section shall become additional Secured Debt of Borrower and secured by this Security Instrument. These amounts shall bear interest at the Agreement rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment and be subject to the terms of the Agreement and the Security Instrument.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgagee clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgagee clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance

carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Agreement or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Agreement or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of the Agreement and Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower resides on the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Home Equity Line of Credit Application Process; Default. Borrower shall be in default if, during the Account application process, or at any time during the term of the Agreement, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Account. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

Borrower is also in default if: 1) Borrower engages in fraud or makes a material misrepresentation at any time in connection with Borrower's Account; 2) Lender does not receive the full amount of any Minimum Payment due or Borrower fails to meet any of the other repayment terms of the Agreement; 3) Borrower's action or inaction adversely affects the Property or Lender's rights in it. Examples of these actions or inactions include, but are not limited to: a) Borrower's death, if Borrower is the sole person on the Account; or the death of all but one borrower which adversely affects Lender's security; b) Illegal use of the Property, if such use subjects the Property to seizure; c) Transfer of all or part of the Borrower's interest in the Property without Lender's written consent; d) All or part of the Property is taken by condemnation or eminent domain; e) Foreclosure of any senior lien on the Property; f) Failure to maintain required insurance on the Property; g) Waste or destructive use of the Property which adversely affects Lender's security; h) Failure to pay taxes or assessments on the Property; i) Permitting the creation of a senior lien on the Property other than an Approved Prior Loan; j) Filing of a judgment against Borrower, if the amount of the judgment and collateral subject to the judgment is such that Lender's security is adversely affected.

Lender may, at its option, take lesser actions than those described at the beginning of this Section. Such lesser actions may include, without limitation, suspending Borrower's Account and not allowing Borrower to obtain any further Advances, reducing Borrower's Credit Limit, and/or changing the payment terms on Borrower's Account. If Lender takes any such actions, this shall not constitute an election of remedies or a waiver of Lender's right to exercise any rights or remedies under the remainder of this Section, the remaining provisions of the Agreement, the Security Instrument, or at law or in equity. Lender may take

action under this Section only after complying with any notice or cure provisions required under Applicable Law. In the event Lender elects not to terminate the Account or take any lesser action as provided in this Section, Lender does not forfeit or waive its right to do so at a later time if any of the circumstances described above exists at that time.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument.

If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Lender may without notice, perform or cause to be performed any covenant of Borrower in this Security Instrument, and Borrower appoints Lender as attorney in fact to sign Borrower's name. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take this action, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section.

Any amounts disbursed by Lender under this Section shall become additional Secured Debt of Borrower secured by this Security Instrument, payable according to the terms of the Agreement and this Security Instrument. These amounts shall bear interest at the Agreement rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. Borrower is not required to obtain Mortgage Insurance unless otherwise agreed in writing.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in the Agreement and this Security Instrument.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the this Security Instrument shall be

reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the Secured Debt immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the Secured Debt immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, and Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be otherwise applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the this Security Instrument granted by Lender to Borrower or any Successors in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Agreement (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Agreement without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender.

14. Agreement/Account Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to

charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Account is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other Account charges collected or to be collected in connection with the Account exceed the permitted limits, then: (a) any such Account charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Agreement). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Agreement conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Agreement which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Agreement and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender or causes Lender to be paid all sums which then would be due under this Security Instrument and the Agreement as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Change of Servicer; Notice of Grievance. The Agreement or a partial interest in the Agreement (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Servicer") that collects the amounts due under the Agreement and this Security Instrument and performs other mortgage loan servicing obligations under the Agreement, this Security Instrument, and Applicable Law. There also might be one or more changes of the Servicer unrelated to a sale of the Agreement. If the Agreement is sold and thereafter the Agreement is serviced by a Servicer other than the purchaser of the Agreement, the servicing obligations to Borrower will remain with the Servicer or be transferred to a successor Servicer and are not assumed by the Agreement purchaser unless otherwise provided.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party and allowed the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and reasonable time to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph.

The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice as required by Applicable Law prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument or the Agreement (but not prior to acceleration under Section 18 of the Security Instrument unless Applicable Law provides otherwise), Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs and the Trustee's fee for preparing the reconveyance.

24. Substitute Trustee. In accordance with Applicable Law, Lender may from time to time appoint a successor trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. Use of Property. The Property is not used principally for agricultural purposes.

26. Attorneys' Fees. Lender shall be entitled to recover its reasonable attorneys' fees and costs in any action or proceeding to construe or enforce any term of this Security Instrument. The term "attorneys' fees," whenever used in this Security Instrument, shall include without limitation attorneys' fees incurred by Lender in any bankruptcy proceeding or on appeal.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

BENEFICIARY REQUESTS NOTICE OF ANY ADVERSE ACTION THAT A PRIORITY LIEN HOLDER TAKES WITH REGARD TO THE PROPERTY, INCLUDING DEFAULT AND FORECLOSURE

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

 (Seal)

NANCY A NICHOLSON -Borrower

 (Seal)

DAVID L NICHOLSON -Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

[Space Below This Line For Acknowledgment]

State of Washington

County of SKAGIT

On this 16th day of DECEMBER, 2021, personally appeared before me
NANCY A NICHOLSON, DAVID L NICHOLSON

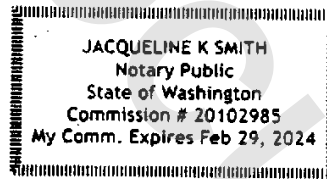
to me known to be the individual or individuals described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and seal of office this 16 day of Dec, 20 21.

Jacqueline K Smith
Notary Public in and for the state of Washington,
residing at: Maple Hill
(city and/or county)

(Seal)

My Commission Expires the 29
day of Feb, 20 24.



SCHEDULE "A"

THE FOLLOWING DESCRIBED REAL ESTATE, SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON:

LOT 116, "NOOKACHAMP HILLS PUD, PHASE IIB", AS PER PLAT RECORDED AUGUST 23, 2005, UNDER SKAGIT COUNTY AUDITOR'S FILE NO. 200508230082, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SUBJECT TO THE FOLLOWING

A. EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

GRANTEE: SKAGIT VALLEY TELEPHONE COMPANY
DATED: UNDISCLOSED
RECORDED: SEPTEMBER 21, 1967
AUDITOR'S NO: 704645
PURPOSE: TELEPHONE LINES
AREA AFFECTED: SOUTHEAST 1/4 OF SECTION 25, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M., AND WEST 1/2 OF SECTION 30, TOWNSHIP 34 NORTH, RANGE 5 EAST, W.M.

B. STIPULATION CONTAINED IN DEED EXECUTED BY WALKING CIRCLE M., INC., TO MV ASSOCIATES, DATED JULY 25, 1979, RECORDED AUGUST 31, 1979, UNDER AUDITOR'S FILE NO.7908310024, AS FOLLOWS:

THIS TRANSFER IS SUBJECT TO THAT PERPETUAL EASEMENT WHICH EXISTS, AND HAS EXISTED, IN FAVOR OF DAVID G. MCINTYRE FOR:

1.) THE RIGHT TO MAINTAIN, REPAIR, INSPECT AND OTHERWISE USE HIS EXISTING SEPTIC TANK ON THE SUBJECT PROPERTY AND, IF NECESSARY, TO REPLACE SAID SEPTIC TANK BY INSTALLING A NEW SEPTIC TANK ON THE SUBJECT PROPERTY;

THE RIGHT TO USE THE EXISTING WELL AND WATERLINES ON THE SUBJECT PROPERTY, AND TO TAKE WATER FROM THE EXISTING WELL AS NEEDED; AND

3.) THE RIGHT TO USE ANY AND ALL ROADWAYS ON THE SUBJECT PROPERTY FOR INGRESS AND EGRESS TO THE PROPERTY OWNED BY DAVID G.

MCINTYRE, WHICH IS LOCATED IN SKAGIT COUNTY, WASHINGTON, IN SECTION 30, TOWNSHIP 34 NORTH, RANGE 5 EAST, W.M.

C.MATTERS RELATED TO ANNEXING A PORTION OF THE SUBJECT PROPERTY INTO SKAGIT COUNTY SEWER DISTRICT NO. 2, AS DISCLOSED BY DOCUMENT RECORDED UNDER AUDITOR'S FILE NOS. 8412050001 AND 8411280007.

D.EASEMENT, INCLUDING THE TERMS AND PROVISIONS THEREOF:

GRANTEE: PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON

DATED: JUNE 8, 1990

RECORDED: SEPTEMBER 13, 1990

AUDITOR'S NO: 9009130081

PURPOSE: WATER PIPE LINES, ETC.

AREA AFFECTED: 60 FOOT WIDE STRIP OF LAND IN SOUTH 1/2 OF SECTION 25 AND IN THE NORTHEAST 1/4 OF SECTION 36, ALL IN TOWNSHIP 34 NORTH, RANGE 4 EAST.

E. RESERVATIONS CONTAINED IN DEED

EXECUTED BY: UNION LUMBER COMPANY

RECORDED: NOVEMBER 11, 1909

AUDITOR'S NO: 76334

AS FOLLOWS:

MINERALS AND RIGHTS OF ENTRY. SAID MINERAL RIGHTS ARE NOW VESTED OF R

F. AGREEMENT, AND THE TERMS AND PROVISIONS THEREOF:

BETWEEN: NOOKACHAMP HILLS LLC

AND: SKAGIT COUNTY SEWER DISTRICT NO. 2

RECORDED: MAY 18, 2004

AUDITOR'S NO.: 200405180073

REGARDING: CONDITIONS AND FEES FOR CONNECTING TO SEWER
SYSTEM

G. MATTERS DISCLOSED AND/OR DELINEATED ON THE FACE OF THE
FOLLOWING PLAT/SUBDIVISION:

PLAT/SUBDIVISION NAME: NOOKACHAMP HILLS PUD PHASE IIB

RECORDED: AUGUST 23, 2005

AUDITOR'S NO.: 200508230082

SAID MATTERS INCLUDE BUT ARE NOT LIMITED TO THE FOLLOWING:

1. EASEMENTS ARE GRANTED TO PUBLIC UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON, A MUNICIPAL CORPORATION, ITS SUCCESSORS OR ASSIGNS. THE PERPETUAL RIGHT, PRIVILEGE AND AUTHORITY ENABLING THE DISTRICT TO DO ALL THINGS NECESSARY OR PROPER IN THE CONSTRUCTION AND MAINTENANCE OF A WATER AND COMMUNICATION LINE, LINES OR RELATED FACILITIES, INCLUDING THE RIGHT TO CONSTRUCT, OPERATE, MAINTAIN, INSPECT, IMPROVE, REMOVE, RESTORE, ALTER, REPLACE, RELOCATE, CONNECT TO AND LOCATE AT ANY TIME A PIPE OR PIPES, LINE OR LINES OR RELATED FACILITIES, ALONG WITH NECESSARY APPURTENANCES FOR THE TRANSPORTATION OF WATER AND COMMUNICATION LINES OR OTHER SIMILAR PUBLIC SERVICES OVER, ACROSS, ALONG, IN AND UNDER THE LANDS AS SHOWN ON THIS PLAT TOGETHER WITH THE RIGHT OF INGRESS TO AND EGRESS FROM SAID LANDS ADJACENT LAND OF THE GRANTOR. ALSO, THE RIGHT TO CUT AND/OR TRIM ALL BRUSH, OTHER GROWTH STANDING OR GROWING UPON THE LANDS OF THE GRANTOR WHICH, IN THE OPINION OF THE DISTRICT, CONSTITUTES A MENACE OR DANGER TO SAID LINE(S) OR TO PERSONS OR PROPERTY BY REASON OF PROXIMITY TO THE LINE(S). THE GRANTOR AGREES THAT TITLE TO ALL BRUSH, OTHER VEGETATION OR DEBRIS TRIMMED, CUT AND REMOVED FROM THE EASEMENT PURSUANT TO THIS

AGREEMENT IS VESTED IN THE DISTRICT.

GRANTOR, ITS HEIRS, SUCCESSORS OR ASSIGNS HEREBY CONVEYS AND AGREES NOT TO CONSTRUCT OR PERMIT TO BE CONSTRUCTED STRUCTURES OF ANY KIND ON THE EASEMENT AREA WITHOUT WRITTEN APPROVAL OF THE GENERAL MANAGER OF THE DISTRICT. GRANTOR SHALL CONDUCT ITS ACTIVITIES AND ALL OTHER ACTIVITIES ON GRANTOR'S PROPERTY SO AS NOT TO INTERFERE WITH, OBSTRUCT OR ENDANGER THE USEFULNESS OF ANY IMPROVEMENTS OR OTHER FACILITIES, NOW OR HEREAFTER MAINTAINED UPON THE EASEMENT OR IN ANY WAY INTERFERE WITH, OBSTRUCT OR ENDANGER THE DISTRICT'S USE OF THE EASEMENT.

2. NO BUILDING PERMIT SHALL BE ISSUED FOR ANY RESIDENTIAL AND/OR COMMERCIAL STRUCTURE WHICH ARE NOT AT THE TIME OF APPLICATION DETERMINED TO BE WITHIN AN OFFICIAL DESIGNATED BOUNDARY OF A SKAGIT COUNTY FIRE DISTRICT.

3. CHANGE IN LOCATION OF ACCESS MAY NECESSITATE A CHANGE OF ADDRESS. CONTACT SKAGIT COUNTY PLANNING AND DEVELOPMENT SERVICES.

4. SEWAGE DISPOSAL - SKAGIT COUNTY SEWER DISTRICT NO. 2 WATER - SKAGIT COUNTY PUD - POWER - PUGET SOUND ENERGY TELEPHONE- GTE- GAS - CASCADE NATURAL GAS CABLE - LAKE CABLE SERVICE

5. THE PURCHASER OR SELLER OF EACH LOT SHALL DEPOSIT \$350.00 INTO THE SKAGIT COUNTY IMPACT FUND IN THE SKAGIT COUNTY TREASURER'S OFFICE AT THE TIME OF CLOSING OF SAID SALE. THIS IS A ONE-TIME FEE TO MITIGATE IMPACTS ON PARKS AND RECREATION.

6. THIS SURVEY HAS DEPICTED EXISTING FENCE LINES AND OTHER OCCUPATIONAL INDICATORS IN ACCORDANCE WITH W.A.C. CH. 332. 130. THESE OCCUPATIONAL INDICATORS MAY INDICATE A POTENTIAL FOR CLAIMS OF UNWRITTEN TITLE OWNERSHIP. THE LEGAL RESOLUTION OF OWNERSHIP BASED UPON UNWRITTEN TITLE CLAIMS HAS NOT BEEN RESOLVED BY THIS BOUNDARY SURVEY.

7. THE OWNERS HEREBY DECLARE COVENANTS, CONDITIONS AND

RESTRICTIONS AS RECORDED UNDER AUDITOR'S FILE NO. 200508230083.

8. THIS PARCEL LIES WITHIN AN AREA OR WITHIN 500 FEET OF AREA DESIGNATED AS NATURAL RESOURCE LANDS (AGRICULTURAL, FOREST AND MINERAL RESOURCE LANDS OF LONG-TERM COMMERCIAL SIGNIFICANCE) IN SKAGIT COUNTY. A VARIETY OF NATURAL RESOURCE LAND COMMERCIAL ACTIVITIES OCCUR OR MAY OCCUR IN THE AREA THAT MAY NOT BE COMPATIBLE WITH NON-RESOURCE USES AND MAY BE INCONVENIENT OR CAUSE DISCOMFORT TO AREA RESIDENTS. THIS MAY ARISE FROM THE USE OF CHEMICALS OR FROM SPRAYING, PRUNING, HARVESTING OR MINERAL EXTRACTION WITH ASSOCIATED ACTIVITIES, WHICH OCCASIONALLY GENERATES TRAFFIC, DUST, SMOKE, NOISE AND ODOR. SKAGIT COUNTY HAS ESTABLISHED NATURAL RESOURCE MANAGEMENT OPERATIONS AS A PRIORITY USE ON DESIGNED NATURAL RESOURCE LANDS AND AREA RESIDENTS SHOULD BE PREPARED TO ACCEPT SUCH INCOMPATIBILITIES, INCONVENIENCES OR DISCOMFORT FROM NORMAL NECESSARY NATURAL RESOURCE LAND OPERATIONS WHEN PERFORMED IN COMPLIANCE WITH BEST MANAGEMENT PRACTICES AND LOCAL, STATE AND FEDERAL LAW IN THE CASE OF MINERAL LANDS, APPLICATION MIGHT BE MADE FOR MINING-RELATED ACTIVITIES INCLUDING EXTRACTION, WASHING, CRUSHING, STOCKPILING, BLASTING, TRANSPORTING AND RECYCLING OF MINERALS. IN ADDITION, GREATER SETBACKS THAN TYPICAL MAY BE REQUIRED FROM THE RESOURCE AREA, CONSISTENT WITH SCC 14.16.810. CONTACT THE SKAGIT COUNTY PLANNING AND DEVELOPMENT SERVICES FOR DETAILS.

9. TRACT "G" IS DESIGNATED FOR OPEN SPACE AND DETENTION POND. THE OWNERSHIP AND MAINTENANCE OF SAID TRACT IS FURTHER DEFINED IN THE CCR'S AS REFERENCED UNDER NOTE 7 ABOVE TRACTS "H", "I" AND "J" ARE DESIGNATED AS OPEN SPACE, TRAIL ACCESS AND BUFFER AREAS.

10. THE 10 FOOT ACCESS EASEMENT (TRACT I") AS SHOWN ON SHEET 3 OF 3 BETWEEN SOCKEYE DRIVE AND NOOKACHAMP HILLS DRIVE IS FOR PEDESTRIAN TRAFFIC ONLY FOR THE BENEFIT OF ALL LOTS WITHIN THIS PLAT ALL PHASES OF NOOKACHAMP HILLS PLANNED UNIT DEVELOPMENT. THE MAINTENANCE AND OWNERSHIP OF SAID 10' IS FURTHER DEFINED IN THE CCR'S AS REFERENCED UNDER NOTE 7 ABOVE.

11. SETBACKS:

FRONT - 3 5', 25' ON MINOR ACCESS AND DEED END STREETS

SIDE - 8' ON INTERIOR LOT

REAR-25'

ACCESSORY- FRONT 35', SIDE 8', HOWEVER, A 3' SETBACK IS PERMITTED WHEN THE ACCESSORY BUILDING IS A MINIMUM OF 75' FROM THE FRONT PROPERTY LINE PROVIDING THAT THE STRUCTURE IS LESS THAT 1,000 SQ. FT. IN SIZE AND 16' OR LESS IN HEIGHT.

12. THE PLAT NAME, NUMBER AND DATE OF APPROVAL SHALL BE INCLUDED IN ALL DEEDS AND CONTRACTS.

13. OWNER - DEVELOPER

NOOKACHAMP HILLS LLC

C/O DAN MITZEL

14. THE HOMEOWNERS ASSOCIATION IS RESPONSIBLE FOR THE MAINTENANCE OF THE STORM WATER SYSTEM. SKAGIT COUNTY PUBLIC WORKS HAS ON FILE THE "STORM WATER SYSTEM MAINTENANCE PLAN FOR NOOKACHAMP HILLS PLAT, PHASE II", WHICH OUTLINES SAID MAINTENANCE.

15 THE OWNERS HEREBY DECLARE COMMON ACCESS EASEMENTS ON LOTS 114 THROUGH 138, AS SHOWN HEREON, THE CENTER OF SAID 30'X70' EASEMENTS ARE CENTERED ON THE COMMON LOT LINES BETWEEN THE LOTS AS SHOWN HEREON. THE MAINTENANCE OF SAID EASEMENTS IS OUTLINED IN THE CCR'S ARE RECORDED UNDER NOTE 7 ABOVE

16 LOTS 114, 116, 118, 120, 122, 124, 126, 128, 130, 132 AND 134 SHALL BE RESTRICTED TO A BUILDING HEIGHT OF 20 FEET FROM THE MEAN GROUND ELEVATION OF THE FOUR CORNERS OF THE PROPOSED NEW BUILDING.

17. THE MONUMENT SET IN THE CU-DE-SAC OF SOCKEYE DRIVE WAS OFF SET 10 FEET BECAUSE OF SEWER MANHOLE LOCATION.

18. A SKAGIT COUNTY ADDRESS RANGE HAS BEEN APPLIED TO THE ROAD SYSTEM IN THIS SUBDIVISION. AT THE TIME OF APPLICATION FOR BUILDING AND/OR ACCESS. SKAGIT COUNTY GIS WILL ASSIGN INDIVIDUAL ADDRESSES IN

ACCORDANCE WITH THE PROVISIONS OF SKAGIT COUNTY CODE 15.24.

19. THE WATERLINE IS CONSTRUCTED WITHIN THE COUNTY ROAD.

20. A LOT OF RECORD CERTIFICATION HAS BEEN ISSUED FOR ALL LOTS INCLUDED IN THE LAND DIVISION. BY VIRTUE OF RECORDING THIS LAND DIVISION AND ISSUANCE OF THE LOT CERTIFICATION, ALL LOTS THEREIN SHALL BE CONSIDERED LOTS OF RECORD FOR CONVEYANCE AND DEVELOPMENT PURPOSES UNLESS OTHERWISE RESTRICTED. SEE AUDITOR'S FILE NO. 200508230084.

21. LOTS 151 - 161 ARE LOCATED IN A SEISMIC HAZARD AREA AND A GEOTECH REPORT WILL BE REQUIRED AT THE TIME OF A BUILDING PERMIT.

22. AN EASEMENT IS HEREBY GRANTED TO SKAGIT COUNTY PUBLIC WORKS FOR ROAD MAINTENANCE. SEE SHEETS 3 OF

23. NOOKACHAMP HILLS LLC WILL BE RESPONSIBLE FOR THE MAINTENANCE OF THE PEDESTRIAN TRAIL ALONG DAY LUMBER LANE AS SHOWN IN THE PLAT OF "LAKEVIEW TRACTS" RECORDED IN VOLUME 5 OF PLATS AT PAGES 2 AND 3, RECORDS OF SKAGIT COUNTY, LOCATED ON THE WEST SIDE OF HIGHWAY 9 IN THE NORTHWEST OF SECTION 25, TOWNSHIP 34 NORTH, RANGE 4 EAST.

24. KNOW ALL MEN BY THESE PRESENTS THAT NOOKACHAMP HILLS L.L.C., A WASHINGTON LIMITED LIABILITY COMPANY AND PEOPLES BANK, A WASHINGTON STATE CORPORATION, OWNERS IN FEE SIMPLE OR CONTRACT PURCHASERS AND MORTGAGE OR LIEN HOLDERS OF THE LAND HEREBY PLATTED, DECLARE THIS PLAT AND DEDICATE TO THE USE OF THE PUBLIC FOREVER, THE ROADWAYS AS SHOWN HEREON AND THE USE THEREOF FOR ALL PUBLIC PURPOSES CONSISTENT WITH THE USE THEREOF FOR PUBLIC HIGHWAY PURPOSES TOGETHER WITH THE RIGHT TO MAKE ALL NECESSARY SLOPES FOR CUTS AND FILLS UPON THE LOTS AND BLOCKS SHOWN HEREON IN THE ORIGINAL REASONABLE GRADING OF ALL SUCH ROADWAYS SHOWN HEREON

WE ALSO HEREBY DEDICATE TRACTS "G", "H", "I" AND "J" TO THE NOOKACHAMP HILLS PUD PROPERTY OWNERS ASSOCIATION.

25. AN EASEMENT IS HEREBY RESERVED FOR AND GRANTED TO SKAGIT COUNTY, SKAGIT COUNTY PUBLIC UTILITY DISTRICT NO 1, SKAGIT COUNTY SEWER DISTRICT NO. 2, PUGET SOUND ENERGY, GTE, CASCADE NATURAL GAS CORPORATION AND LAKE CABLE SERVICE AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS UNDER AND UPON THE EXTERIOR 15 FEET OF ALL LOTS AND TRACTS ABUTTING ALL PUBLIC ROADS AND RIGHTS-OF-WAY AS SHOWN HEREON IN WHICH TO INSTALL, LAY, CONSTRUCT, RENEW, OPERATE, MAINTAIN AND REMOVE UTILITY SYSTEMS, LINES, FIXTURES AND APPURTENANCES ATTACHED THERETO. FOR THE PURPOSE OF PROVIDING UTILITY SERVICES TO THE SUBDIVISION TOGETHER WITH THE RIGHT TO ENTER UPON THE LOTS AND TRACTS AT ALL TIMES FOR THE PURPOSES STATED, WITH THE UNDERSTANDING THAT ANY GRANTEE SHALL BE RESPONSIBLE FOR ALL UNNECESSARY DAMAGE IT CAUSED TO ANY REAL PROPERTY OWNER IN THE SUBDIVISION BY THE EXERCISE OF RIGHTS AND PRIVILEGES HEREIN GRANTED.

26. EASEMENTS FOR THE PURPOSE OF CONVEYING LOCAL STORM WATER RUNOFF AND SANITARY SEWER ARE HEREBY GRANTED IN FAVOR OF ALL ABUTTING PRIVATE LOT OWNERS IN ALL AREAS DESIGNATED AS PRIVATE DRAINAGE OR PRIVATE SEWER EASEMENTS. THE MAINTENANCE OF PRIVATE EASEMENTS ESTABLISHED AND GRANTED HEREIN SHALL BE THE RESPONSIBILITY OF AND THE COSTS THEREOF SHALL BE BORNE EQUALLY BY THE PRESENT AND FUTURE OWNERS OF THE ABUTTING PRIVATE LOT OWNERS AND THEIR HEIRS, OWNERS PERSONAL REPRESENTATIVE AND ASSIGNS. SKAGIT SEWER DISTRICT NO. 2 IS HEREBY GRANTED AN EASEMENT IN ALL AREAS DESIGNATED AS PRIVATE SEWER EASEMENTS.

SKAGIT COUNTY IS HEREBY GRANTED THE RIGHT TO ENTER SAID EASEMENTS FOR EMERGENCY PURPOSES AT ITS OWN DISCRETION.

27. TWENTY (20) FOOT SEWER EASEMENT ALONG NORTH EASTERLY BOUNDARY LOTS 113, 115, 117, 119, 121, 123, 125, 127, 129, 131, 133, 135 AND TRACT "H".

28. TWENTY (20) FOOT SEWER EASEMENT ALONG BOUNDARY OF LOTS 119 AND 121

29. FIFTEEN (15) FOOT PRIVATE SEWER EASEMENT ALONG SOUTHEAST

BOUNDARY LOT 124

30. FIFTEEN (15) FOOT PRIVATE SEWER EASEMENT AS SHOWN IN SOUTHEAST PORTION LOT 128

31. TEN (10) FOOT PRIVATE DRAINAGE EASEMENT ALONG SOUTHWEST BOUNDARY LOTS 114, 116, 118, 120, 122, 124, 126, 128, 130 AND 132.

32. TWENTY (20) FOOT PRIVATE SEWER EASEMENT AND PUBLIC WATER EASEMENT ALONG BOUNDARY OF LOTS 137 AND 138

33. TEN (10) FOOT SEWER EASEMENT ALONG SOUTH BOUNDARY LOT 158

34. TEN (10) FOOT PRIVATE SEWER EASEMENT ALONG SOUTH BOUNDARY LOT 155

35. TWENTY (20) FOOT PRIVATE SEWER EASEMENT ALONG WEST BOUNDARY LOT 159

36. TEN (10) FOOT PRIVATE DRAINAGE EASEMENT ALONG EAST BOUNDARY LOTS 146 -150

37. TEN (10) FOOT PRIVATE SEWER EASEMENT ALONG NORTHWEST BOUNDARY LOT 150

38. TEN (10) FOOT PRIVATE DRAINAGE EASEMENT ALONG NORTH BOUNDARY LOT 141

39. TEN (10) FOOT PRIVATE DRAINAGE EASEMENT ALONG WEST BOUNDARY LOTS 141 - 144

40. MISLOCATED FENCE AS SHOWN ON TRACT "J"

41. UNLABELED 15 FOOT EASEMENT ALONG SOUTHEAST BOUNDARY LOT 132

H. PROTECTIVE COVENANTS AND/OR EASEMENTS, BUT OMITTING RESTRICTIONS, IF ANY, BASED ON RACE, COLOR, RELIGION OR NATIONAL ORIGIN:

DATED: OCTOBER 13, 1998

RECORDED: NOVEMBER 2, 1998

AUDITOR'S NO: 9811020155

EXECUTED BY: NOOKACHAMP HILLS, LLC

ABOVE COVENANTS, CONDITIONS AND RESTRICTIONS WERE AMENDED AS FOLLOWS:

DECLARATION DATED: AUGUST 8, 2005

RECORDED: AUGUST 23, 2005

AUDITOR'S NO.: 200508230083

I. EASEMENT AND PROVISIONS THEREIN:

GRANTEE: PUGET SOUND ENERGY, INC ..

DATED: FEBRUARY 22, 2005

RECORDED: MARCH 1, 2005

AUDITOR'S NO.: 200503010069

PURPOSE: RIGHT TO ENTER SAID PREMISES TO OPERATE, MAINTAIN, REPAIR, UNDERGROUND ELECTRIC TRANSMISSION AND/OR DISTRIBUTION SYSTEM, TOGETHER WITH THE RIGHT TO REMOVE BRUSH, TREES AND LANDSCAPING WHICH MAY CONSTITUTE A DANGER TO SAID LINES.

AFFECTS: ENTIRE PLAT

EASEMENT NO. 1: ALL STREETS AND ROAD RIGHTS-OF-WAY AS NOW OR HEREAFTER DESIGNED, PLATTED, AND/OR CONSTRUCTED WITHIN THE ABOVE

DESCRIBED PROPERTY. (WHEN SAID STREETS AND ROAD ARE DEDICATED TO THE PUBLIC, THIS CLAUSE SHALL BECOME NULL AND VOID.)

EASEMENT NO. 2: A STRIP OF LAND 15 FEET IN WIDTH ACROSS ALL LOTS, TRACTS AND OPEN SPACES LOCATED WITHIN THE ABOVE DESCRIBED PROPERTY BEING PARALLEL TO AND COINCIDENT WITH THE BOUNDARIES OF ALL PRIVATE/PUBLIC STREET AND ROAD RIGHTS-OF-WAY.

J. EASEMENT, INCLUDING TERMS AND PROVISIONS THEREOF:

GRANTEE: SKAGIT COUNTY SEWER DISTRICT NO. 2

DATED: JUNE 21, 2005

RECORDED: SEPTEMBER 16, 2005

AUDITOR'S NO.: 200509160140

PURPOSE: SEWER MAINS

AREA AFFECTED: ALL ROADS AND VARIOUS STRIPS OF LAND AS DESCRIBED IN SAID DOCUMENT AND AS SHOWN ON THE FACE OF THE PLAT.

K. LOT CERTIFICATION, INCLUDING THE TERMS AND CONDITIONS THEREOF. REFERENCE TO THE RECORD BEING MADE FOR FULL PARTICULARS. THE COMPANY MAKES NO DETERMINATION AS TO ITS AFFECTS.

RECORDED: AUGUST 23, 2005

AUDITOR'S NO.: 200508230084

AFFECTS: ENTIRE PLAT

ABBREVIATED LEGAL: LOT 116, NOOKACHAMP HILLS PUD, PHASE IIB, AFN 200508230082, SKAGIT COUNTY, WA

SUBJECT TO RESTRICTIONS, RESERVATIONS, EASEMENTS, COVENANTS, OIL,
GAS OR MINERAL RIGHTS OF RECORD, IF ANY.

BEING PREVIOUSLY CONVEYED BY WARRANTY DEED FROM HANSELL MITZEL
LLC, A WASHINGTON LIMITED LIABILITY COMPANY TO DAVID L. NICHOLSON AND
NANCY A. NICHOLSON, HUSBAND AND WIFE , DATED 10/25/2007, AND
RECORDED ON 11/02/2007 AT DOCUMENT REFERENCE 200711020082 IN SKAGIT
COUNTY, WASHINGTON.

PARCEL ID(S): P123209

FOR INFORMATIONAL PURPOSES ONLY, THE PROPERTY ADDRESS IS:
23856 NOOKACHAMP HILLS DR
MOUNT VERNON, WA 98274