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WHEN RECORDED RETURN TO:

Grantor.	BEVERICK, Michael and Cindy; WASHINGTON LAND RECYCLING, LLC; MUD LAKE RECYCLING, LLC
Grantee.	DeVRIES, George P. and Nancy S.
Abbrev. Leg.	Ptn of SE ¼ of Sec. 2, T34N, R4E, WM
Tax Account Nos.	340402-3-009-0000/P23425; 340402-3-009-0600/P118194 340402-3-009-0500/P116593; 340402-4-002-0004/P23436

FIRST AMERICAN TITLE CO.
D82977E-1

Deed of Trust

THIS DEED OF TRUST, made this 19 day of November, 2004, between MICHAEL BEVERICK and CINDY BEVERICK, husband and wife, WASHINGTON LAND RECYCLING, LLC, a Washington limited liability company, and MUD LAKE RECYCLING, LLC, a Washington limited liability company, GRANTORS,

Land Title Company of Skagit County, TRUSTEE, whose address is 112 George Hopper Road, P.O. Box 445, Burlington, WA 98233, and

GEORGE P. De VRIES and NANCY S. DeVRIES, husband and wife, BENEFICIARY, whose address is 48798 Mescal, Palm Desert, CA 92260,

WITNESSETH: Grantors hereby bargain, sell and convey to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

For Description, See Exhibit A, Attached Hereto and Incorporated Herein

which real 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 Five Hundred Thousand and 00/100 Dollars ($500,000.00), with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantors, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantors, 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, Grantors covenant and agree:

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 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 Grantors. 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 Grantors 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 as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

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2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto on written request of the 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. Upon default by Grantors in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee 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; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantors had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter, Trustee's deed shall recite the facts showing that the sale was conducted in compliance 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 encumbrances for value.

6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiary 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 any action or proceeding in which Grantors, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on 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.

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9. PARTIAL RELEASE AGREEMENT. Provided there are no defaults under this deed of trust or the note which it secures, Lender agrees to deliver a release or releases of part of the deeded premises upon the following conditions:

(a) Lender shall be given ten days' prior written notice of each such request.

(b) Interest on the entire balance of the principal amount shall be paid to Lender to the date of delivery of each such release.

(c) A principal payment on the unpaid balance then due under this Deed of Trust in the amount of $60,000.00 per lot, for lots 1, 5, 6, 8 and 9 as depicted on the Preliminary Lot Layout attached hereto as EXHIBIT B.

(d) The lender also agrees to deliver a release for lots 2, 3, and 4, as depicted on the Preliminary Lot Layout upon their conveyance to Geoffrey and Suzanne Langness, pursuant to separate agreement between the parties.

Michael Beverick

Cindy Beverick

STATE OF WASHINGTON)
: ss.
COUNTY OF SKAGIT)

On this day personally appeared before me MICHAEL BEVERICK and CINDY BEVERICK, husband and wife, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 19 day of November, 2004.

KIM M. KERR
COMMISSION EXPIRES
NOTARY
PUBLIC
12-15-2005
STATE OF WASHINGTON

Kim M. Kerr

Print Name Kim M. Kerr
NOTARY PUBLIC in and for the State of Washington, residing at Mount Vernon.

My commission expires: 12/15/05

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WASHINGTON LAND RECYCLING, LLC
By:

Michael Beverick, Member

STATE OF WASHINGTON)
: ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that MICHAEL BEVERICK is the person who appeared before me, and said person acknowledged that he signed this instrument and on oath stated that he is authorized to execute the instrument and acknowledged it as a member of WASHINGTON LAND RECYCLING, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Witness my hand and official seal hereto affixed this 19 day of November, 2004.

KIM M. KERR
COMMISSION EXPIRES
NOTARY
PUBLIC
12-15-2005
STATE OF WASHINGTON

Kim M Kerr

Print Name Kim M Kerr
NOTARY PUBLIC in and for the State of Washington, residing at Mt Vernon.

My appointment expires: 12/15/05

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MUD LAKE RECYCLING, LLC
By:

Michael Beverick, Member

STATE OF WASHINGTON)
: ss.
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that MICHAEL BEVERICK is the person who appeared before me, and said person acknowledged that he signed this instrument and on oath stated that he is authorized to execute the instrument and acknowledged it as a member of MUD LAKE RECYCLING, LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Witness my hand and official seal hereto affixed this 19 day of November, 2004.

KIM M. KERR
COMMISSION EXPIRES
NOTARY
PUBLIC
12-15-2005
STATE OF WASHINGTON

Kim M Kerr

Print Name Kim M. Kerr
NOTARY PUBLIC in and for the State of Washington, residing at Mt Vernon.

My appointment expires: 12/15/05

George DeVries

Nancy DeVries

(see notary Page 7)

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STATE OF WASHINGTON)
: ss.
COUNTY OF SKAGIT)

On this day personally appeared before me GEORGE DEVRIES and NANCY DEVRIES, husband and wife, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this _____day of November, 2004.

_____

Print Name_____
NOTARY PUBLIC in and for the State of Washington, residing at _____.

My commission 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 re-convey, 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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EXHIBIT A

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Parcel "A":

That portion of the Southeast ¼ of Section 2, Township 34 North, Range 4 East, W.M., being more particularly described as follows:

Beginning at the South ¼ corner of said Section 2; thence North 89 degrees 40'19" East along the South line of the Southeast ¼ of said Section 2, a distance of 366.73 feet; thence North 0 degrees 18'17" East a distance of 30 feet to the true point of beginning; thence continue North 0 degrees 18'17" East a distance of 829.86 feet to the Southerly line of that County road commonly known as the Mud Lake Road; and to a point on a curve to the right having a radius point bearing South 40 degrees 27'29" East a distance of 1,307.60 feet; thence along said Southerly margin and along the arc of said curve to the right in a Northeasterly direction through a central angle of 17 degrees 46'30" for an arc length of 405.65 feet to a point of tangency; thence North 67 degrees 19'01" East a distance of 686.15 feet; thence North 64 degrees 54'53" East a distance of 232.79 feet; thence North 60 degrees 48'23" East a distance of 134.96 feet; thence North 64 degrees 42'04" East a distance of 324.97 feet; thence South 87 degrees 30'42" East for 33.68 feet to an intersection of the Southerly margin line of said Mud Lake Road and the East line of the West ½ of the Northeast ¼ of the Southeast ¼ of said Section 2; thence South 0 degrees 32'34" West along the East line of the West ½ of the Northeast ¼ of the Southeast ¼ of said Section 2, a distance of 169.47 feet; thence South 51 degrees 49'11" West, a distance of 1,711.90 feet; thence South 89 degrees 40'19" West, a distance of 230.00 feet; thence South 1 degree 14'54" West, a distance of 379.01 feet to a point which bears North 89 degrees 40'19" East from the true point of beginning; thence South 89 degrees 40'19" West, a distance of 52.14 feet to the true point of beginning.

EXCEPT the following described tract:

That portion of Lot 3, Skagit County Short Plat No. 51-81, approved December 16, 1981 and recorded December 17, 1981 in Volume 5 of Short Plats, page 147, records of Skagit County, Washington, being a portion of the East ½ of Section 2, Township 34 North, Range 4 East, W.M, and being more particularly described as follows:

Beginning at the Southeast corner of said Section 2, (Southeast section corner); thence North 89 degrees 32'55" West 660.01 feet along the South line of said subdivision to the Southwest corner of the East 10.00 chains, (660.00 feet), of said subdivision; thence North 0 degrees 43'49" East 1,449.96 feet along the West line of said East 10.00 chains (also being the East line of said Lot 3, Skagit County Short Plat No. 51-81), and also being the West line of the "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," as per plat recorded in Volume 4 of Plats, page 39, records of Skagit County, Washington, to the true point of beginning; thence South 52 degrees 35'57" West, 524.15 feet; thence North 32 degrees 19'27" West 282.34 feet, more or less, to the Southerly margin of the as-constructed County road commonly known as the Mud Lake Road; thence Northeasterly along said Southerly margin 632.4 feet, more or less, to said West line of the East 10.00 chains, at a point bearing North 00 degrees 43'49" East from the true point of beginning; thence South 00 degrees 43'49" West along said West line 179.94 feet, more or less, to the true point of beginning.

Parcel "B":

That portion of the Southeast ¼ of Section 2, Township 34 North, Range 4 East, W.M.

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EXHIBIT A

Beginning at the South ¼ corner of said Section 2; thence North 89 degrees 40'19" East a distance of 648.87 feet; thence North 01 degree 14'54" East a distance of 30.01 feet to the Southeast corner of Lot 2, Short Plat No. 51-81, approved December 16, 1981, recorded December 17, 1981 in Book 5 of Short Plats, page 147, under Auditor's File No. 8112170001, and the true point of beginning; thence continue North 01 degree 14'54" East a distance of 379.01 feet to the Northeast corner of said Lot 2; thence North 51 degrees 49'11" East a distance of 1,711.90 feet; thence South 0 degrees 32'34" West a distance of 1,230.50 feet; thence South 89 degrees 40'19" West a distance of 209.00 feet; thence South 0 degrees 32'34" West a distance of 199.00 feet to the North line of Buchanan Road; thence South 89 degrees 40'19" West a distance of 1,131.41 feet to the true point of beginning.

EXCEPT that portion, if any, lying Northwesterly of the Southeasterly line of Parcel "C" as described in Mortgage recorded October 28, 1981, under Auditor's File No. 8110280027,

AND EXCEPT the following described tract:

Beginning at the Southeast corner of the Southeast ¼ of the Southeast ¼ of said Section 2, (Southeast section corner); thence North 89 degrees 32'55" West 660.01 feet along the South line of said subdivision to the Southwest corner of the East 10.00 chains, (660.00 feet), of said subdivision; thence North 04 43'49" East 353.83 feet along the West line of said East 10.00 chains, (also being the East line of said Lot 3, Skagit County Short Plat No. 51-81), and also being the West line of the "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," as per plat recorded in Volume 4 of Plats, page 39, records of Skagit County, Washington to the Northwest corner of the South 123.00 feet of Lot 1, Block 7 of said "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," and being the true point of beginning; thence continue North 0 degrees 43'49" East 277.05 feet along said West line of "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," to the Northwest corner of the South 180.00 feet of Lot 2, Block 5, "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.,"; thence North 89 degrees 32'55" West 157.50 feet on a Westerly projection of the North line of said South 180.00 feet of Lot 2; thence South 0 degrees 43'49" West 277.05 feet parallel with the West line of said "PLAT OF PARK ADDITION TO CLEAR LAKE, WASH.," to a point bearing North 89 degrees 32'55" West from the true point of beginning; thence South 89 degrees 32'55" East 157.50 feet to the true point of beginning.

Parcel "C":

That portion of Lot 3, Skagit County Short Plat No. 51-81, approved December 16, 1981 and recorded December 17, 1981 in Volume 5 of Short Plats, page 147, records of Skagit County, Washington, being a portion of the East ½ of Section 2, Township 34 North, Range 4 East, W.M., and being more particularly described as follows:

Beginning at the Southeast corner of said Section 2 (Southeast section corner); thence North 89° 32'55" West 660.01 feet along the South line of said subdivision to the Southwest corner of the East 10.00 chains (660.00 feet), of said subdivision; thence North 0°43'49" East 1449.96 feet along the West line of said East 10.00 chains (also being the East line of said Lot 3, Skagit County Short Plat No. 51-81), and also being the West line of the "PLAT OF PARK ADDITION TO CLEAR LAKE WASH.", as per plat recorded in Volume 4 of Plats, page 39, records of Skagit County, Washington, to the true point of beginning; thence South 52°35'57" West, 524.15 feet; thence North 32°19'27" West 282.34 feet, more or less, to the Southerly margin of the as-constructed county road commonly known as the Mud Lake Road; thence Northeasterly along said Southerly margin 632.4 feet, more or less, to said West line of the East 10.00 chains, at a point bearing North 00°43'49" East from the true point of beginning; thence South 00°43'49" West along said West line 179.94 feet, more or less, to the true point of beginning.

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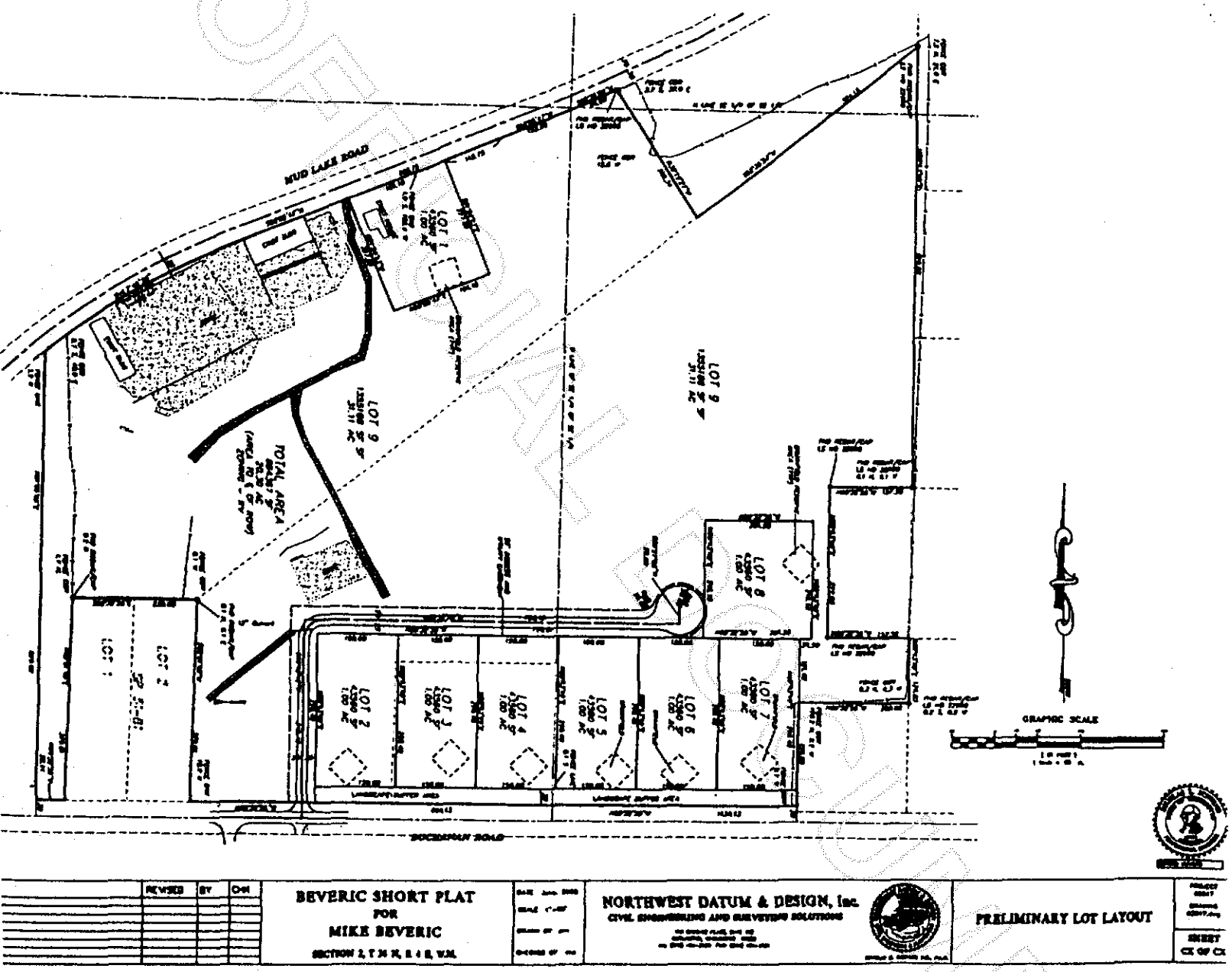
EXHIBIT B



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