

UNRECORDED  
AFTER RECORDING PLEASE RETURN TO  
BENEFICIAL  
P. O. BOX 776  
LEDWOLD, MA 98073  
T-80414

LAND TITLE COMPANY OF SKAGIT COUNTY

TRUST DEED

LIZZIE MAE REINARD AND  
RONALD E. REINARD

This Trust Deed made NOVEMBER 8, 19 96, with EACH AS THEIR SEPARATE ESTATE  
as Trustee:  BENEVEST SERVICES, INC., a Washington corporation **9611140041**

as Trustee, whose address is 3006 PORTHUP WAY, City of BELLEVUE, County of  
KING, State of WASHINGTON; and

BENEFICIAL WASHINGTON INC.

BENEFICIAL WASHINGTON INC. d/b/a Beneficial Mortgage Co.,

a Delaware corporation qualified to do business in Idaho, Oregon and Washington, as Beneficiary, whose address is  
City of \_\_\_\_\_ County of \_\_\_\_\_  
State of \_\_\_\_\_

Witnesseth: That Trustor conveys and warrants to Trustee, in trust, with power of sale, the real property situated in the County of  
SKAGIT, State of Washington, hereafter referred to as the "Property" and described, as follows:

LOTS 3, 9 S&F 10 AND THAT PORTION OF LOTS 11 THROUGH 14, INCLUSIVE AND LOTS 22 AND  
23, LYING NORTHEASTERLY OF THE RAILROAD RIGHT OF WAY OF THE ENGLISH LUMBER COMPANY, ALL  
IN BLOCK 20, "PLAT OF THE TOWN OF MC MURRAY, SKAGIT CO., WASHINGTON", AS PER PLAT RECORDED  
IN VOLUME 2 OF PLATS, PAGE 56, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

the above described Property not being used principally for agricultural or farming purposes, together with all buildings, fixtures, and  
improvements on the Property, and all water rights, rights of way, easements, rents, issues, profits, income, tenements, hereditaments,  
privileges, and appurtenances thereto belonging, now or hereafter used or enjoyed with the Property, subject, however, to the right,  
power, and authority herein given to and conferred on Beneficiary to collect and apply those rents, issues, and profits;

If this box is checked, this Trust Deed is subject to a prior trust deed dated NONE, 19 NONE, executed by  
NONE as trustee for the

benefit of NONE as beneficiary.

securing payment of a promissory note in the principal amount of \$ NONE. That prior trust deed was filed  
on NONE, 19 NONE with the Auditor of NONE County, Washington, under Auditor's  
File No. NONE and recorded in Book NONE, page NONE.

Unless this box is checked, this Trust Deed secures a Credit Line Account Agreement ("Agreement") which evidences a loan that is  
made for personal, family or household purposes.

For the purpose of securing: (1) a certain Credit Line Account Agreement ("Agreement") secured by this Trust Deed by which  
Beneficiary is obligated to make loans and advances up to \$ 82,500.00, hereafter referred to as the "Line of Credit;"

(2) performance of all agreements made by Trustor in this instrument; and (3) payment of all sums expended or advanced by  
Beneficiary under or pursuant to the terms of this Trust Deed, as herein provided; and

To protect the security of this Trust Deed, Trustor agrees:

1. To keep the Property in good condition and repair; not to remove or demolish any building erected on the Property; to complete or  
restore promptly and in good and workmanlike manner any building that may be constructed, damaged, or destroyed on the Property;  
to comply with all laws, covenants, and restrictions affecting the Property; not to commit or permit waste of the Property; not to  
commit, suffer or permit any act on the Property in violation of law; and to do all other acts which from the character or use of the  
Property may be reasonably necessary.

If the loan secured by this Trust Deed is being obtained for the purpose of financing construction of improvements on the Property, Trustor  
further agrees: (a) to begin construction promptly and pursue the same with reasonable diligence to completion in accordance with plans  
and specifications satisfactory to Beneficiary, and (b) to allow Beneficiary to inspect the Property at all times during construction.

2. To provide and maintain insurance on the Property against loss by fire and other such casualties as Beneficiary may require in an  
amount, for each term, and in a company or companies satisfactory to Beneficiary with loss payable clauses in favor of, and in a form  
satisfactory to, Beneficiary. In the event of loss or damage, Trustor shall give immediate notice to Beneficiary. Beneficiary may make  
proof of loss and settle and adjust all claims thereunder, applying the proceeds, at its option, to reduction of amounts due under the  
Agreement or this Trust Deed or to the restoration or repair of the damaged Property. Payment of such loss may be made directly to  
Beneficiary. In the event of the refusal or neglect of Trustor to provide insurance or to maintain the same or to renew the same in a  
manner satisfactory to Beneficiary, then Beneficiary may itself procure and maintain such insurance and charge the premium to Trustor  
under the provisions of Paragraph 8 of this Trust Deed.

3. Mortgagor warrants that (1) the Property has not been used in the past and is not presently used for hazardous and/or toxic waste, (2) Property complies with all federal, state and local environmental laws regarding hazardous and/or toxic waste, (3) asbestos has not been used as a building material on any building erected on the Property in the past, (4) the Property is not presently used for asbestos storage and (5) the Mortgagor complies with all federal, state, and local laws, as well as regulations, regarding the use and storage of asbestos.

Mortgagor covenants and agrees to comply with all federal, state, and local environmental laws in the maintenance and use of the Property.

Mortgagor warrants that neither the Property nor the loan proceeds were or will be used in illegal drug activity, and the Property is not subject to seizure by any governmental authority because of any illegal drug activity.

Mortgagor may make or cause to be made reasonable entries upon and inspections of the Property, provided that Mortgagee shall give Mortgagor notice prior to any such inspection specifying reasonable cause therefore related to the Mortgagee's interest in the Property.

4. To deliver to, pay for and maintain with Beneficiary until the indebtedness secured by this Trust Deed (indebtedness) is paid in full, such evidence of title as Beneficiary may require, including abstracts of title or policies of title insurance and any extensions or renewals thereof or supplements thereto.

5. To appear in and defend any action or proceeding purporting to affect the security hereof, the title to the Property, or the rights or powers of Beneficiary or Trustee. Should Beneficiary or Trustee elect to also appear in or defend any such action or proceeding, Trustee shall pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum incurred by Beneficiary or Trustee.

6. To pay, at least ten (10) days before delinquency, all taxes and assessments affecting the Property, to pay when due all encumbrances, charges, and liens with interest on the Property or any part thereof that at any time appear to be prior or superior to this Trust Deed and pay all costs, fees, and expenses of this Trust.

7. Should Trustee fail to make any payment or do any act provided for in this Trust Deed, then Beneficiary or Trustee, without obligation to do, without notice to or demand on Trustor and without releasing Trustor from any obligation under the Agreement, may (a) make or do the same in such manner and to such extent as either may deem necessary in protect the security, Beneficiary or Trustee being authorized to enter on the Property for such purposes; (b) commence, appear in, and defend any action or proceeding purporting to affect the security or the rights or powers of Beneficiary or Trustee; and (c) pay, purchase, contest or compromise any encumbrance, charge or lien, which in the judgment of either appears to be prior or superior to this Trust Deed. In exercising any of the above enumerated powers whereby liability is incurred, Trustee or Beneficiary shall expend whatever amounts in the absolute discretion of either Beneficiary or Trustee may deem necessary, including cost of evidence of title; and employ counsel and pay the reasonable fees of counsel. On presentation to Trustee of an affidavit signed by Beneficiary setting forth facts showing a default by Trustor under this paragraph, Trustee is authorized to accept as true and conclusive all facts and statements therein, and to act on that affidavit as provided in this Trust Deed.

8. To pay immediately and without demand all sums expended hereunder by Beneficiary or Trustee, with interest from date of expenditure at the Finance Charge Rate in effect on the account until the loan is paid in full. Should Trustor fail to pay these amounts Beneficiary may add these amounts to the Unpaid Balance and Charge interest at the rate in effect on the account. The repayment of all such sums shall be secured by this Trust Deed.

9. If Trustor voluntarily sells or conveys the Property, in whole or in part, or any interest in that Property or by some act or means Trustor is divested of title to the Property without obtaining the written consent of Beneficiary, then Beneficiary, at its option, may declare the unpaid balance of the indebtedness immediately due and payable. This option shall not apply if (1) the sale of the Property is permitted because the purchaser's creditworthiness is satisfactory to Beneficiary and (2) that purchaser, prior to the sale, has executed a written assumption agreement containing terms prescribed by Beneficiary, including, if required, an increase in the rate of interest payable under the Agreement.

10. Trustor will pay and keep current the monthly installments on the prior trust deed and to prevent any default thereunder, Trustor further agrees that should any default be made in any installment of principal or any interest on the prior trust deed, or should any suit be commenced or other action taken to foreclose the prior trust deed, then the amount secured by this Trust Deed shall become and be due and payable in full at any time thereafter, at the option of Beneficiary and in accordance with the Agreement. Beneficiary, at its option, may pay the scheduled monthly installments on the prior trust deed and, to the extent of the amount so paid, become subrogated to the rights of the beneficiary identified in the prior trust deed. All payments made by Beneficiary on the loan secured by the prior trust deed shall be added to the Unpaid Balance on the account with interest at the Finance Charge Rate in effect on the account.

11. Should the Property be taken or damaged by reason of any public improvement or condemnation proceeding, or damaged by fire or earthquake or in any other manner, Beneficiary shall be entitled to all compensation, awards, and other payments or relief therefor, and shall be entitled at its option to commence, appear in and prosecute in its own name any action or proceedings, or to make any compromise or settlement, in connection with such taking or damage. All such compensation, awards, damages, rights of action, and proceeds, including the proceeds of any policies of fire and other insurance affecting the Property, are hereby assigned to Beneficiary, which, after deducting therefrom all of its expenses, including attorneys' fees, may apply the same on the indebtedness. Trustor agrees to execute such further assignments of any compensation, award, damage, and rights of action and proceeds as Beneficiary or Trustee may require.

12. At any time and from time to time on written request of Beneficiary, payment of its fees and presentation of this Trust Deed and the Agreement for endorsement (in case of full reconveyance, or cancellation and reissue), without affecting the liability of any person for the payment of the indebtedness, Trustor may (a) consent to the making of any map or plan of the Property; (b) join in granting any easement or creating any restriction thereon; (c) join in any subdivision or other agreement affecting this Trust Deed or the lien or charge thereof; and (d) reconvey, without warranty, all or any part of the Property. In any reconveyance of the Property, the grantee may be described as "the person or persons entitled thereto", and the records therein of any matters or facts shall be conclusive proof of the truthfulness thereof. Trustor agrees to pay reasonable Trustee's fees to Trustor for any of the services mentioned in this paragraph and rendered by Trustee.

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- 13. On any default by Trustor of the Indentures, Beneficiary, at any time and without notice, either in person or by agent and without regard to the adequacy of any security for the Indentures, may enter on and take possession of the Property. The entering on and taking possession of the Property shall not constitute any default, waive any Notice of Default or invalidate any act done pursuant to that Notice.
- 14. Beneficiary, at its option, may declare all sums secured by this Trust Deed immediately due and payable. In such event Beneficiary, at its election, may proceed to foreclose this Trust Deed in the manner provided by law for mortgage foreclosures, or direct the Trustee to foreclose this Trust Deed by advertisement and sale. Trustee shall proceed in accordance with law to sell the Property at public auction to the highest bidder; the purchase price payable in lawful money of the United States at the time of sale. Any person except Trustee may bid at the sale. Trustee shall apply the proceeds of the sale as follows: (1) to the payment of sale, including reasonable fees of Trustee and Trustee's attorney; and (2) to the Indentures secured. Any surplus shall be distributed to the persons entitled thereto.
- 15. For any reasons permitted by law, Beneficiary, at any time, may appoint or cause to be appointed a successor trustee who shall succeed to all the title, powers, duties and authority of either the Trustee named in this Trust Deed or any current successor trustee.
- 16. This Trust Deed shall apply to, issue to the benefit of and bind all parties herein, their heirs, legatees, devisees, administrators, executors, successors, and assigns. All obligations of Trustor hereunder are joint and several. In this Trust Deed, whenever the text so requires, the masculine gender includes the feminine and the singular number includes the plural.
- 17. Trustee accepts this trust when this Trust Deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party under this Trust Deed of pending sale under any other trust deed or of any action in which Trustor, Beneficiary or Trustee shall be a party, unless that action is brought by Trustor.
- 18. This Trust Deed shall be construed according to the laws of the State of Washington.
- 19. Trustor covenants and agrees to and with Beneficiary and those claiming under it, that Trustor is lawfully seized in fee simple of the Property and has a valid unencumbered title and will warrant and forever defend the same against all persons whomsoever.

In Witness Whereof, Trustor has signed and sealed this Trust Deed on the day and year first above written.

Witness *[Signature]*  
 WIT *[Signature]*  
 LIZZIE MAE REINHARD Trustee  
 RONALD E. REINHARD Trustor

ACKNOWLEDGMENT

STATE OF  IDAHO )  
 OREGON ) ss.:  
 WASHINGTON )  
 COUNTY OF KING )

LIZZIE MAE REINHARD

On this day personally appeared before me RONALD E. REINHARD to me known to be the individual(s) described herein and who executed the within and foregoing instrument, and acknowledged that she signed the same as TRUSTEE of her own voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 8TH day of NOVEMBER 19 96

My commission expires 6/20 19 98

*[Signature]*  
 Notary Public in and for the State of  WA  
 OR  
 WASH  
 residing at DUVALL

RECEIVED  
 NOV 14 AM 11:19  
 KATHY...  
 EQUINE...  
 REQUEST OF

DOCUMENT