



200005260082
 Kathy Hill, Skagit County Auditor
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After Recording Mail to:

Name STILES & STILES, INC., P.S.
 Address: P. O. Box 228
 City/State: Sedro-Woolley, WA 98284

Grantor(s): KELLY STEPHENSON
 Grantee(s): JIM BINSCHUS
 Legal: Ptn. Lot 7 and Tract 11, CHASE ACREAGE

Tax Parcel # 3881-000-011-0104 (P64379)

DEED OF TRUST

ISLAND TITLE CO.

SB-10152 ✓

THIS DEED OF TRUST, made this 25 day of May, 2000 between KELLY STEPHENSON, a single woman, GRANTOR, and CHICAGO TITLE INSURANCE COMPANY, TRUSTEE, whose address is P. O. Box 670/ 839 Burlington Blvd., Burlington, WA 98233, and JIM BINSCHUS, a single man, BENEFICIARY, whose address is 5301 State Route 9, Sedro Woolley, WA 98284.

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

See attached legal description (Exhibit A).

TOGETHER WITH THAT CERTAIN 1969 Skyline mobile home, 52T/24, VIN number S1732C, License number 42396.

Subject to exceptions as set forth in schedule B-001 under Island Title Insurance Order #B16152 attached hereto.

Situate in the County of Skagit, State of Washington.

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 Fifty Eight Thousand and 00/100----- Dollars (\$58,000.00) with ten percent (10%) interest, payable on demand in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suite 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 Grantor 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 Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due 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 attorneys fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.

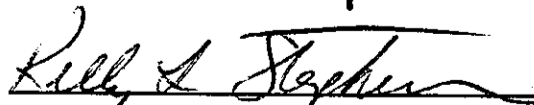
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed 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 encumbrancers 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 Grantor Trustee or Beneficiary shall be a party unless such action or proceeding is brought t 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.

Dated May 25, 2000.



Kelly Stephenson



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Order No.: B16152

EXHIBIT "A"

PARCEL A:

The North 180 feet of the West 121 feet of Tract 11, CHASE ACREAGE, according to the plat thereof recorded in Volume 3 of Plats, page 64, records of Skagit County, Washington;

EXCEPT that portion lying within the following described tract:

All that portion of Tracts 10, 11, and 12 of Chase Acreage, according to the plat thereof recorded in Volume 3 of Plats, page 64, records of Skagit County, Washington, described as follows:

Commencing at the East Quarter corner of Section 19, Township 35 North, Range 5 East of the Willamette Meridian, from which the West Quarter corner of said Section 19 bears South 89°58'30" West;
thence North 24°19'46" West a distance of 199.66 feet;
thence due North a distance of 241.9 feet to the true point of beginning of this description;
thence North 88°47'25" West a distance of 167.45 feet;
thence North 01°25'00" West a distance of 81.00 feet paralleling the centerline of the Puget Sound Power and Light Company power easement and 25 feet Easterly therefrom;
thence North 88°47'25" West a distance of 98.08 feet;
thence North 00°22'52" East a distance of 165.02 feet;
thence North 89°35'00" East a distance of 226.89 feet;
thence South 15°14'53" East a distance of 150.19 feet;
thence due South a distance of 108.35 feet to the true point of beginning.

PARCEL B:

That portion of Lot 7, CHASE ACREAGE, according to the plat thereof recorded in Volume 3 of Plats, page 64, records of Skagit County, Washington, described as follows:

Beginning at the Northeast corner of said Lot 7;
thence South 00°55'45" East along the East line of said Lot 7 a distance of 200.00 feet to the Southeast corner of that tract of land conveyed to Billy D. Ray and Pauline Honcoop Ray by Warranty Deed recorded under Auditor's File No. 733452, records of Skagit County, Washington;
thence North 89°52'24" West along the South line of said tract a distance of 51.99 feet;
thence North 00°37'19" East a distance of 199.97 feet to the North line of said Lot 7;
thence South 89°52'24" East along the North line of said Lot 7 a distance of 46.58 feet to the point of beginning of this description.

ALL situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



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Order No.: B16152

SCHEDULE B-001

1. Easement, including the terms and conditions thereof, granted by instrument;
Recorded: June 16, 1945
Auditor's No.: 381158, records of Skagit County, Washington
In favor of: Puget Sound Power and Light Company
For: Electric transmission and/or distribution line, together with necessary appurtenances
Affects: Said premises, the exact location and extent of said easement is undisclosed of record
2. Easement, including the terms and conditions thereof, granted by instrument;
Recorded: July 1, 1959
Auditor's No.: 582606, records of Skagit County, Washington
In favor of: Puget Sound Power and Light Company
For: Electric transmission and/or distribution line, together with necessary appurtenances
Affects: A portion of Lot 11
3. Easement, including the terms and conditions thereof, granted by instrument;
Recorded: August 6, 1962
Auditor's No.: 624743, records of Skagit County, Washington
In favor of: Puget Sound Power and Light Company
For: Electric transmission and/or distribution line, together with necessary appurtenances
Affects: A portion of said Lot 11, the exact location and extent of said easement is undisclosed of record
4. Easement, including the terms and conditions thereof, granted by instrument;
Recorded: August 8, 1990
Auditor's No.: 9008080107, records of Skagit County, Washington
In favor of: Puget Sound Power and Light Company
For: Electric transmission and/or distribution line, together with necessary appurtenances
Affects: A portion of Lot 11

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5. Exceptions and reservations as contained in instrument;
Recorded:
Auditor's No.: 9509010019, records of Skagit County, Washington
Executed By: Claude Reavley and Mary Reavley, husband and wife
As Follows: The grantors reserve unto themselves a life estate in and to the
aforedescribed real estate. Said life estate shall be limited to the use
of a residence by grantors. Said life estate shall include the right to
live on, occupy, possess, and otherwise enjoy the aforedescribed
real estate but shall not include the right to rent the same. Grantees
shall be responsible for the payment of real estate taxes or insurance
premium. The life estate shall expire and be of no further force or
effect upon the death of the grantors or in the event that grantors are
unable to reside on said property for a continuous period of 120 days
or more whichever event shall first occur.
6. Encroachment of fence onto said premises as disclosed by survey recorded January 19,
1999, in Volume 21 of Surveys, page 117, under Auditor's File No. 9901190118, records
of Skagit County, Washington.
7. Note as disclosed on the face of that survey recorded January 19, 1999, in Volume 21 of
Surveys, page 117, under Auditor's File No. 9901190118, records of Skagit County,
Washington, as follows:
- A. There is substantial encroachment onto the subject property. The entire area to
the South and East of the existing fence appears to be encroachment by the
adjoining owners.

- END OF SCHEDULE B-001 -



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