

AFTER RECORDING RETURN TO:
Washington Federal Savings
Mount Vernon Office
PO Box 639
Mount Vernon WA 98273
Attention: Al Collins

200011300063
, Skagit County Auditor
11/30/2000 Page 1 of 4 12:09:31PM

Loan Number 013 209 237403-1

FIRST AMERICAN TITLE CO.
SHORT FORM DEED OF TRUST *63429*

THIS DEED OF TRUST ("Security Instrument") is made November 15th 2000 between
HANSELL HOMES, INC, A WASHINGTON CORPORATION

as Grantor ("Borrower"), whose address is 1601 WILLIAM WAY, SUITE C, MOUNT VERNON WA 98273; and **FIRST AMERICAN TITLE COMPANY OF SKAGIT COUNTY** as trustee, whose address is 1301-B RIVERSIDE DR, MOUNT VERNON, WA 98273, and **WASHINGTON FEDERAL SAVINGS**, a United States Corporation, as Beneficiary ("Lender"/Grantee), whose address is 425 Pike Street, Seattle, Washington 98101.

Borrower hereby irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale according to Washington law, all Borrower's estate, right, title, interest, claim and demand, now owned or hereafter acquired, in and to the following described property in Skagit County, Washington (the "Property", which term shall include all or any part of the Property, any improvements thereon and all the property described in Paragraph 2 of the Master Form Deed of Trust hereinafter referred to):

LOT 2, "RIO VISTA MEADOWS", RECORDED AUGUST 21, 2000 UNDER SKAGIT COUNTY AUDITOR'S FILE NO. 200008210119.

Assessor's Property Tax Parcel Account Number(s): 47580000020000

TOGETHER WITH all the tenements, hereditaments and appurtenances, now or hereafter thereunto belonging or in any way appertaining, leases and other agreements for the use and occupancy pertaining thereto, and the rents, issues and profits thereof and all other property or rights of any kind or nature whatsoever further set forth in the Master Form Deed of Trust hereinafter referred to, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Lender to collect and apply such rents, issues and profits.

This Security Instrument shall constitute a security agreement under the Uniform Commercial Code of Washington between Borrower as debtor and Lender as secured party. Borrower grants a security interest to Lender in any of the Property which is personal property and also grants a security interest in the property described in Paragraph 3 of the Master Form Deed of Trust hereinafter referred to, now owned or hereafter acquired by Borrower (the Property, as defined above, and the property described in said Paragraph 3 are hereafter collectively referred to as the "Collateral").

Borrower's Initials *AC*

L020-T (WA)

(Page 2 of 4)

COUNTY	BOOK OR VOLUME	PAGE NO.(S.)	RECORDING OR	FRAME OR	DATE OF
ADAMS	229	260-271	AUDITOR'S FILE NO.	239483	OCTOBER 12, 1995
BENTON	1052	1633-1644	9510120008	95-23049	OCTOBER 12, 1995
CLACKAMAS	1111	694-705	9510110089	729425	OCTOBER 11, 1995
CLARK	3D	712-723	8601	9510110089	OCTOBER 11, 1995
COLUMBIA	1213	0637-0648	951012074	307858	OCTOBER 12, 1995
COWLITZ	M444	09-20	232892	524669	OCTOBER 12, 1995
DOUGLAS	0377	0564-0575	3317	328-339	OCTOBER 11, 1995
GRANT	068	1954-1965	951012004	95016396	OCTOBER 11, 1995
GRAY'S HARBOR	95	33136-33147	951012026	1410-1421	OCTOBER 11, 1995
ISLAND	696	95101204	9510100421	385505	OCTOBER 11, 1995
KITSAP	0879	2392-2403	9510130066	2392-2403	OCTOBER 10, 1995
KITTITAS	370	717	586108	249676	OCTOBER 11, 1995
KLICKITAT	327	218	586108	218	OCTOBER 11, 1995
LINCOLN	672	350-361	9514582	144-155	OCTOBER 11, 1995
MASON	65	003034-003045	400875	1089-1100	OCTOBER 11, 1995
OKANOGAN	137	350-361	833848	62332	OCTOBER 11, 1995
PACIFIC	9510	1099-1110	230779	559-570	OCTOBER 11, 1995
PENND ORELLE	121	230-241	230779	230779	OCTOBER 11, 1995
PIERCE	1163	2511-2522	9510110478	2511-2522	OCTOBER 12, 1995
SAN JUAN	525	95101201	9510110046	9510110046	OCTOBER 12, 1995
SKAGIT	1483	0372-0383	1623-1634	860-871	OCTOBER 11, 1995
SKAMANIA	152	9510110189	123494	123494	OCTOBER 11, 1995
SNOHOMISH	3081	1737-1748	1737-1748	1737-1748	OCTOBER 11, 1995
SPokane	1781	9510110230	9510110189	9510110189	OCTOBER 11, 1995
THURSTON	193	9510110097	9510110097	702-713	OCTOBER 11, 1995
WAHLA WALLA	2464	9510110097	9510110097	2376-2387	OCTOBER 11, 1995
WHATCOM	234	45447	45447	1133-1144	OCTOBER 11, 1995
YAKIMA	1494	9510111197	9509789	1593-1604	OCTOBER 11, 1995

By executing and delivering this Security Instrument and the Note secured hereby, the parties agree that all provisions of Paragraphs 1 through 69 inclusive of the Master Form Deed of Trust hereinafter referred to, except such paragraphs as are specifically excluded or modified herein, are hereby incorporated herein by reference and made an integral part hereof for all purposes the same as if set forth herein at length, and the Borrower hereby makes said covenants and agrees to fully perform all of said provisions. The Master Form Deed of Trust above referred to was recorded on the dates shown, in the Official Records of the offices of the County Auditors or County Recorders of the following counties in the State of Washington according to the enumerated recordation designations appearing below after the name of each county, to wit:

b) Payment of any further sums advanced or loaned by Lender to Borrower, or any of its successors or assigns, if (1) the Note or other writing evidencing the future advance of loan specifically modifcations or extensions thereof;

c) Performance of each agreement, term and condition set forth or incorporated by reference in the Loan Documents, including without limitation the Loan agreement set forth or incorporated by reference in the Loan Documents, in each case of each agreement, term and condition of even date herewith, which are incorporated herein by reference or contained herein.

ONE HUNDRED FORTY FOUR THOUSAND AND NO/100s
DOLLARS \$144,000.00

(a) Payment of the sum of

A copy of such Master Form Deed of Trust has been furnished to the person executing this Security Instrument, and by executing this Security Instrument the Borrower acknowledges having received such Master Form Deed of Trust.

The Property which is the subject of this Security Instrument is not used principally or primarily for agricultural or farming purposes.

The undersigned Borrower requests that a copy of any Notice of Default and of any Notice of Sale hereunder, as required by Washington law in case of non-judicial foreclosure of a deed of trust, be mailed to Borrower at Borrower's address as hereinabove set forth.

Borrower agrees to obtain all insurance required from time to time by Lender and as elsewhere provided in the Loan Documents, including flood insurance. If Borrower fails to maintain such insurance satisfactory to the Lender, Lender may make the payment on behalf of the Borrower and any sums expended shall be added to principal and bear interest at the rate provided in the Note.

If the box preceding any of the following statements contains an "X", that statement is a part of this Security Instrument. If the box is not so checked, the corresponding statement is not part of this Security Instrument.

- Paragraph 49 of the Master Form Deed of Trust (which refers to the existence, if any, of an adjustable rate feature in the Note) is hereby deleted.
- The Note secured hereby evidences a construction loan or land loan but is not a combination Note. Paragraph 53 of the Master Form Deed of Trust is hereby deleted.
- The Note secured hereby is a combination construction loan/permanent loan Note. Refer to paragraph 53 of the Master Form Deed of Trust.
- The Property or a part thereof is a Condominium. Refer to paragraph 50 of the Master Form Deed of Trust.
- A fee owner and a leasehold owner of the Property, or a portion thereof, have executed this Security Instrument. Refer to paragraph 51 of the Master Form Deed of Trust.
- The Property or a part thereof is a leasehold estate. Refer to paragraph 52 of the Master Form Deed of Trust.
- See also Schedule "A" of this Short Form Deed of Trust, attached hereto and incorporated herein by this reference.

WITNESS the hand(s) and seal(s) of the Borrower, and each of them if more than one, on the day and year first above written.

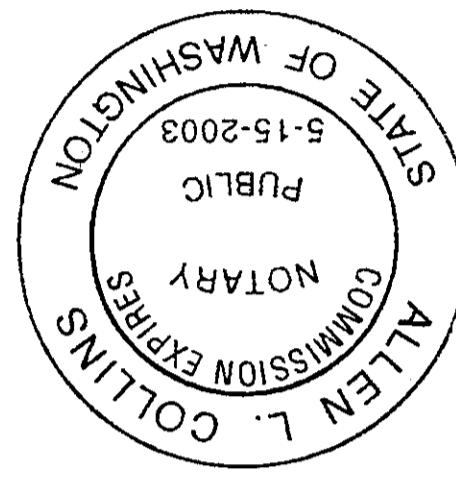
HANSELL HOMES INC

JEFFREY D HANSELL, PRESIDENT

(Over for notary acknowledgements)



200011300063
Skagit County Auditor



Notary Public in and for the State of Washington
residing at Mount Vernon
(Signature)

(Seal or Stamp)

Dated: November 16, 2000

(Name of the Party on Behalf of Whom the Instrument was Executed)
to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

(Name of Authority, e.g., Officer, Trustee)
HANSELL HOMES INC
of

I certify that I know or have satisfactory evidence that
this instrument, on oath stated that (he/she/they) was/were authorized to execute the instrument and
is/are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed
(Name(s) of person(s))
it as the PRESIDENT
ACKNOWLEDGED it as the PRESIDENT

STATE OF WASHINGTON
COUNTY OF SKAGIT
)
) ss.
I certify that I know or have satisfactory evidence that
this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes
is/are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed
(Name(s) of person(s))
it in the instrument.

Notary Public in and for the State of
residing at
(Signature)

(Seal or Stamp)

Dated:

I certify that I know or have satisfactory evidence that
this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes
is/are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed
(Name(s) of person(s))
it in the instrument.

STATE OF WASHINGTON
COUNTY OF SKAGIT
)
) ss.
I certify that I know or have satisfactory evidence that
this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes
is/are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed
(Name(s) of person(s))
it in the instrument.