



200101090007

, Skagit County Auditor

1/9/2001 Page 1 of 4 9:26:49AM

When filed, please return to:
Synod of Alaska-Northwest
217 Sixth Avenue North
Seattle, WA 98109

Synod Loan #368

FIRST AMERICAN TITLE CO.

961594 E

Assessor's Tax Parcel Number(s) 3772-099-014-0006 R55624
3772-099-020-0008 R55625

DEED OF TRUST

ORIGINAL

THIS DEED OF TRUST, made this 23rd day of October 2000, between WESTMINSTER PRESBYTERIAN CHURCH, grantor, whose address is 1300 Ninth Street, Westminister, WA 98221, and PRESBYTERY OF NORTH PUGET SOUND, grantor, whose address is 1010 E Casino Road, Everett, WA 98203-6537, and FIRST AMERICAN TITLE INSURANCE COMPANY OF SKAGIT COUNTY, Trustees, whose address is 1301-B Riverside Drive, Mount Vernon, WA 98273, and SYNOD OF ALASKA-NORTHWEST, PRESBYTERIAN CHURCH (U.S.A.), a Washington corporation, Beneficiary, whose address is 217 Sixth Avenue North, Seattle, Washington 98109.

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

Lots 14-20, Block 99, "CITY OF ANACORTES", as per plat recorded in Volume 2 of Plats, page 4, records of Skagit County, Washington.

which real property is not used principally for agricultural or farming purposes, together with all tenements, hereditament, and appurtenances now or hereafter thereunto belonging or in any way 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 THREE HUNDRED THIRTY FIVE THOUSAND FIFTY TWO AND 00/100 DOLLARS (\$335,052.00) with interest, 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.

This Deed of Trust and the obligation which it secures shall become immediately due and payable upon termination of use of the property, described or identified in this instrument, by the WESTMINSTER PRESBYTERIAN CHURCH, in connection with church work in the Presbyterian Church (U.S.A.) and subject to the Constitution of the Presbyterian Church (U.S.A.). The event of termination of use referred to in the preceding sentence shall be deemed conclusively to have occurred by a declaration to that effect in writing signed by the beneficiary and approved by the presbytery of jurisdiction. The trustor affirms that the said event of termination of use, or the declaration, above mentioned, shall have no relevance other than to make this Deed of Trust and the obligation it secures immediately due and payable. In the event of transfer, sale or lease of the deeded premise without the written approval of the

beneficiary and the presbytery of jurisdiction, the Deed of Trust and the obligation it secures shall immediately become due and payable.

It is hereby agreed that if default be made in the payment of any of said principal and interest or any part thereof, at the time or in the manner hereinbefore specified by the payment thereof, or if failure be made to perform any of the covenants or agreements contained in the said Deed of Trust securing this Note, then at the option of the holder of the same and upon written notice, the principal sum remaining unpaid, with accrued interest, shall at once become due and collectible, time being of the essence of this contract, and said principal sum shall bear interest at the rate of two percentage points above the current interest rate set forth in the specific loan, within the legal limits set forth by the state; and said accrued interest shall bear interest at the rate of two percentage points above the current interest rate set for the specific loan, within the legal limits set forth by the state, from such time until paid; and it is also agreed that in such case the maker of the Note shall pay all costs of collection together with a reasonable sum for Attorney's fees.

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 the 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 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 Trustees, and to pay all costs and expenses, including costs 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 the 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 the interest at the rate set forth in the note secured hereby, shall be added to become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event of any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award of such portion thereof as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.



200101090007

Skagit County Auditor

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 Trustees 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 or its authorized agent 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 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 deposited with the clerk of the Superior Court of the county in which the sale took place to be distributed in accordance with statute.
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 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 purchasers 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 or disability or resignation of Trustee, Beneficiary shall 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 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 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, successors and assigns. The term beneficiary shall mean the holder and owner of the note secured hereby, whether or not names as Beneficiary herein.

WESTMINSTER PRESBYTERIAN CHURCH

By Cecily Weahly
Its President
By Ann Gibson
Its clerk of Session

PRESBYTERY OF
NORTH PUGET SOUND

By Paul E. Jensen
Its Stated Clerk
By _____
Its _____



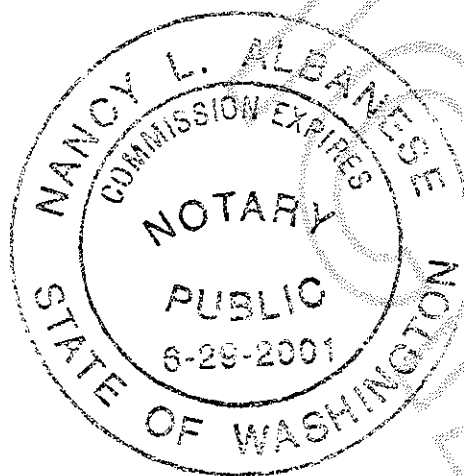
200101090007
Skagit County Auditor

STATE OF WASHINGTON)

COUNTY OF Skagit^{ss)}

On this 2 day of Nov., 2000, before me, the undersigned Notary Public in and for the State of WA, duly commissioned and sworn, personally appeared Craig Weatley and Ann Garbony, to me known to be the President and clerk of Session respectively officers of the WESTMINSTER PRESBYTERIAN CHURCH, a body of the Presbyterian Church (U.S.A.) the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said agreement and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed on the day and year first above written.



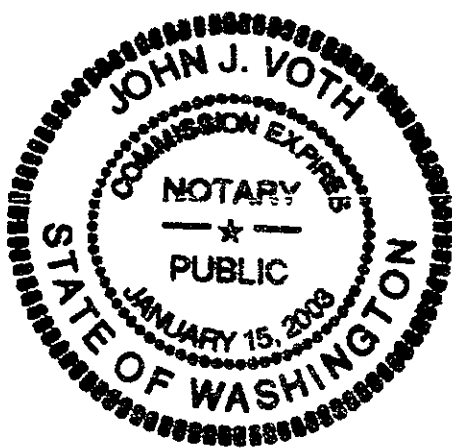
Nancy L. Albanese
Notary Public in and for the State of WA,
residing at Anacortes
My commission expires 6-29-2001

STATE OF WASHINGTON)

COUNTY OF Skagit^{ss)}

On this 19th day of December, 2000, before me, the undersigned Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Paul E Jensen and N/A, to me known to be the Stated Clerk and N/A respectively officers of the PRESBYTERY OF NORTH PUGET SOUND, a body of the Presbyterian Church (U.S.A.) the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said agreement and that the seal affixed is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed on the day and year first above written.



John J. Voth
Notary Public in and for the State of WA,
residing at Mount Vernon, WA
My commission expires 1-15-2003



200101090007
Skagit County Auditor