

AFTER RECORDING MAIL TO:

Name **JEANETTE ROSE DIBIASE**,
Address 909 So. 20th Street
City, State, Zip Mt. Vernon, WA 98274
00064045

Filed for Record at Request of First American Title of Skagit County

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Skagit County Auditor
1/31/2001 Page 1 of 5 3:59:48PM

DEED OF TRUST FIRST AMERICAN TITLE CO.
(For use in the state of Washington only) 64045E

THIS DEED OF TRUST, made this **31st** day of **January**, 2001, between **NEW COVENANT CORPORATION**, GRANTOR, whose address is PO Box 694 Mt. Vernon WA 98273, **FIRST AMERICAN TITLE COMPANY**, a Washington corporation, TRUSTEE, whose address is PO Box 1667, Mount Vernon, WA 98273, and **JEANETTE ROSE DIBIASE**, Trustee of the **JEANETTE ROSE DIBIASE REVOCABLE TRUST** dated **November 8, 1994**, BENEFICIARY, whose address is 909 South 20th Street, Mount Vernon, WA 98274

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

The North 73 feet of the South 897.5 feet of the West 1/2 of the West 1/2 of Government Lot 4, Section 6, Township 34 North, Range 4 East, W.M., EXCEPT road and ditch right-of-way.
Abbreviated Legal: Section 6, Township 34, Range 4; Ptn. W1/2 - W1/2; Gov. Lot 4

Assessor's Property Tax Parcel/Account Number(s): **340406-0-107-0002 R23733**

which real property is not used principally for agricultural or farming purposes, together with all 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 **One Hundred Forty-Five Thousand And 00/100 Dollars (\$145,000.00)** with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by 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.

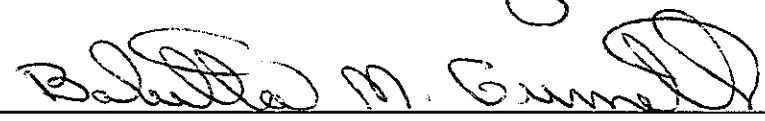
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by 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 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 thereof as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
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 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 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 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 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 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 named as Beneficiary herein.


Bobetta M. Ginnett, Vice President


NEW COVENANT CORPORATION
Kenneth J. Ginnett, President/CEO

STATE OF WASHINGTON
COUNTY OF SKAGIT

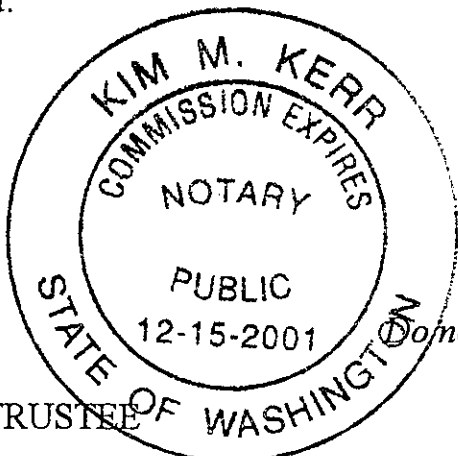
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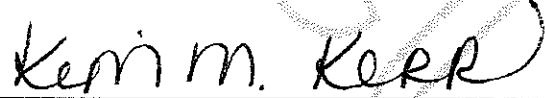
& Bobetta M. Ginnett

I certify that I know or have satisfactory evidence that **Kenneth J. Ginnett** is/are the persons who appeared before me, and said persons acknowledged that he/she/they signed this instrument, on oath stated that he/she/they authorized to execute the instrument and acknowledged it as the **President/CEO** of **NEW COVENANT CORPORATION** to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

Dated:

Jan. 31, 2001





Notary Public in and for the State of Washington
Residing at **Mt. Vernon**
My appointment expires: **12/15/2001**

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 reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated



ASSIGNMENT OF RENTS AND LEASES
(Washington)

NEW COVENANT CORPORATION, a Washington Corporation, (hereinafter referred to collectively as Assignor), in consideration of One Dollar (\$1.00) paid by JEANETTE ROSE DIBIASE, as Trustee of THE JEANETTE ROSE DIBIASE REVOCABLE TRUST dated November 8, 1994, hereinafter referred to as "Assignee") and for other valuable consideration, hereby absolutely, unconditionally and immediately conveys, transfers and assigns unto Assignee, its successors and assigns, all the rights, interest, and privileges which Assignor, as Lessor, has and may have in the rentals or leases (including all rental arrangements including month to month tenancies or lease agreements, written or oral, all of which will be hereafter referred to as the "Leases") and including all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the premises, now existing or hereafter made and affecting the real property in Skagit County more particularly described as set forth in the attached Exhibit "A", or any part thereof, including, but not limited to, the rentals or leases listed on Exhibit "B" attached hereto, if any, and any and all rentals or leases now or hereafter placed on subject premises, as said rentals or leases may have been, or may from time to time be hereafter modified, extended and renewed, with all deposits, rents, income, and profits due and becoming due therefrom. Assignor will, on request of Assignee, execute assignments of any future rentals or leases affecting any part of said premises.

The proceeds collected under this absolute Assignment shall apply to expenses of managing the property and in reduction of the indebtedness then owing on a certain Note and Deed of Trust of even date herewith (and all extensions or modifications thereof) made by Assignor to Assignee in the sum of ONE HUNDRED FORTY FIVE THOUSAND AND NO/100 DOLLARS (\$145,000.00) with interest, covering real property situated in Skagit County, Washington, and described on Exhibit "A", and the acceptance of this absolute assignment and the collection of rents or the payments under the leases hereby assigned shall not constitute a waiver of any rights of Assignee under the terms of said Note and Deed of Trust.

Assignee hereby grants to Assignor a license to collect, so long as no default occurs under the terms of said Note and Deed of Trust, said deposits, rents, income and profits from the aforementioned leases and to retain, use, and enjoy the same; provided, however, that even before default occurs no rent shall be collected or accepted more than two (2) months in advance without the prior written consent of the Assignee. Anything to the contrary notwithstanding, Assignor hereby assigns to Assignee any award made hereafter to it in any court procedure involving any of the lessees in any bankruptcy, insolvency, or reorganization proceedings in any state or federal court; and any and all payments made by lessees in lieu of rent. Assignor hereby appoints Assignee as its irrevocable attorney in fact to appear in any action and/or to collect any such award or payment; provided, that so long as no default occurs under the terms of the Note and Deed of Trust, Assignor may collect and retain such award or payment the same as rent.

In the event of default in the performance of any of the terms and conditions of said Note and/or Deed of Trust, the Assignee, at its option, may, from the date of such default and with or without taking possession of said premises, collect all rents accruing therefrom and from said leases and if Assignee elects to enter and take possession of the mortgaged premises, then Assignee shall have the right to manage and operate the same, let or re-let said premises (or any part thereof), terminate and modify leases, evict tenants, bring



or defend any suits in connection with the possession of said premises in its own name or in Assignor's name, make such repairs as Assignee deems appropriate, and perform such other acts in connections with the management and operation of said premises as the Assignee, in its sole discretion, may deem proper.

Nothing contained herein, nor any collection of Rents and Profits by Assignee or a receiver shall be construed to make Assignee a "mortgagee-in-possession" of the Property so long as Assignee has not itself entered into actual possession of the Property.

The receipt by Assignee of any deposits, rents, issues, or profits pursuant to this instrument after the institution of the foreclosure proceedings under said Deed of Trust shall not cure such default nor affect such proceedings or any sale pursuant thereto.

Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under any of said leases, and Assignor hereby agrees to indemnify Assignee for, and to save it harmless from, any and all liability arising from any of said leases or from this Assignment, and this Assignment shall not place responsibility for the control, care, management or repair of said premises upon Assignee, or make Assignee responsible or liable for any negligence in the management, operation, upkeep, repair, or control of said premises resulting in loss or injury or death to any tenant, licensee, employer, or stranger.

Assignor covenants and represents that Assignor has full right and title to assign said leases and the deposits, rents, income, and profits due or to become due thereunder, that the terms of said leases have not been changed from the terms in the copies of said submitted to Assignee for approval, that no other assignment of any other interest therein has been made, that there are no existing defaults under the provisions thereof, and that Assignor will not hereafter unreasonably cancel, surrender or terminate any of said leases, exercise any option which might lead to such termination or change, alter or modify them, or consent to the release of any other party liable thereunder.

Assignor hereby authorizes Assignee to give notice in writing of this Assignment to any tenant under any of said leases, if Assignor is in default under the Note, Deed of Trust or this Assignment.

Violation of any of the covenants, representations and provisions contained herein by Assignor shall be deemed a default under the terms of said Note and/or Deed of Trust.

Default by Assignor under any of the terms of the leases assigned herein shall be deemed a default under the terms of said Note and/or Deed of Trust. Any expenditures made by the Assignee in curing such a default on Assignor's behalf, with Interest thereon at Twelve Percent (12%) per annum, shall become part of the debt secured by these presents.

The full performance of either (a) the Note and any extensions or modifications thereto or (b) the Deed of Trust and the duly recorded release of the property described herein shall render this Assignment void.

The deposits, rents, issues, and profits collected by Assignee hereunder shall be applied, less costs and expenses of operation of said real property and collection of the deposits, rents, issues, and profits therefrom, including reasonable attorney's fees incurred by Assignee, upon any indebtedness outstanding

and secured by said mortgage, including but not limited to, the payment of delinquent real property taxes and fire insurance, and in such order as Assignee may determine.

This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assigns, as well as any subsequent owner of the real estate described herein and any assignee of the mortgage referred to herein.

Assignor agrees to provide to Assignee within thirty (30) days after the end of each year in the terms of the Note and Deed of Trust, or in any extension thereof revised listings of each tenant on the premises, the space occupied, the amount of rent being paid, and the expiration date of each lease. Within ninety (90) days after the end of each year in the term of the Note and Deed of Trust, or any extension thereof, Assignee will provide Assignor with financial statements on the operation of the premises in a form satisfactory to Assignee. Assignor agrees to provide Assignee with copies of all leases on request of Assignee, with Assignee to pay the copying charges.


Notwithstanding any provision herein to the contrary, this Assignment of Rents and Leases is intended to be an absolute assignment from Assignor to Assignee and not merely the passing of a security Interest. The rents and leases are hereby assigned absolutely by Assignor to Assignee contingent only upon the occurrence of a default.

This Assignment shall be governed by the laws of the State of Washington.

IN WITNESS WHEREOF, the Assignor has signed and sealed this instrument on this 31 day of January, 2001.

ASSIGNOR:

NEW COVENANT CORPORATION

By: 
Robert M. Ginnell



200101310160
Skagit County Auditor