



200101310162  
Skagit County Auditor  
1/31/2001 Page 1 of 5 4:01:11PM

AFTER RECORDING MAIL TO:

Name **First American Title of Skagit County**  
Address **1301-B Riverside Drive, ESCROW DEPARTMENT**  
City, State, Zip **Mount Vernon, WA 98273**  
**00064044**  
Filed for Record at Request of **First American Title of Skagit County**

**Short Form**  
**DEED OF TRUST**

FIRST AMERICAN TITLE CO.

Purchase Money Security Interest

64044 E-2

THIS DEED OF TRUST, made this **31st** day of **January**, 2001, between **NEW COVENANT CORPORATION, A Washington Corporation**, as GRANTOR, whose address is **P.O. BOX 694, MOUNT VERNON, WA 98273**, and **First American Title Company, a Washington Corporation**, as TRUSTEE, whose address is **PO Box 1667, Mount Vernon, WA 98273**, and **PENSION PORTFOLIO SERVICES, INC., a Washington Corporation**, as BENEFICIARY, whose address is

Grantor hereby irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale, the following described property in **Skagit** County, Washington:

**Tract 42, "PLAT OF SANDALWOOD", as per plat recorded in Volume 11 of Plats, page 78, records of Skagit County.**

**ABREVIATED LEGAL: Tr 42 PLAT OF SANDALWOOD**

Assessor's Property Tax Parcel/Account Number: **4361-000-042-0005 R80242**

TOGETHER WITH all the tenements hereditaments and appurtenances, now or hereafter thereunto belonging or in anywise appertaining, 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 Deed of Trust hereinafter referred to, SUBJECT, HOWEVER, to the rights, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

THIS DEED IS FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor incorporated by reference or contained herein and payment of the sum **Fifty-Five Thousand And 00/100 DOLLARS (\$55,000.00)** with interest thereon according to the terms of a promissory note of even date herewith, payable to Beneficiary or order and made by Grantor; all renewals, modifications or extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any other successors or assigns, together with interest thereon at such rate as shall be agreed upon.

By executing and delivering this Deed of Trust and the Note secured hereby, the parties agree that all provisions of Paragraphs 1 through 35 inclusive of the Master Form Deed or 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 Grantor 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 twenty-fifth (25th) day of July, 1968, in the Official Records of the offices of the County Auditors of the following counties in Washington in the book, and at the page designated after the name of each county, to wit:

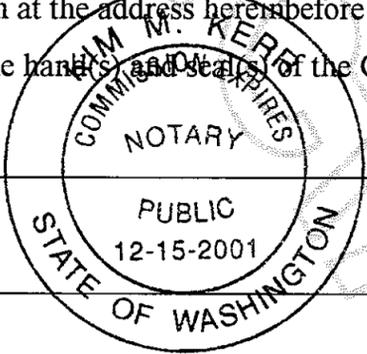
COUNTY	BOOK OR VOL.	PAGE NO.	AUDITOR'S	COUNTY	BOOK OR VOL.	PAGE NO.	AUDITOR'S
Adams	2 of Record. Instr.	513-16	122987	Lewis	7 of Official Rec.	839-842	725562
Asotin	Microfilmed under Auditor's No.		101896	Lincoln	107 of Mortgages	776-779	316596
Benton	241 of Official Rec.	695A-C	592931	Mason	Reel 48	Fram 835-838	236038
Chelan	688 of Official Rec.	1682-1685	681844	Okanogan	121 of Mortgages	517-519A	560658
Clallam	315 of Official Rec.	195-198	383176	Pacific	213 of Official Rec.	649-652	55707
Clark	Aud. Microfilm No.	702859-702862	G-519253	Pend Oreille	27 of Mtgs.	8-11	126854
Columbia	49 of Deeds	198-201	F-3115	Pierce	1254 of Mtgs.	707-710	2250799
Cowlitz	747 of Official Rec.	234-237	675475	San Juan	28 of Mtgs.	459-462	69282
Douglas	125 of Mortgages	120-123	151893	Skagit	19 of Official Rec.	80-83	716277
Ferry	28 of Deeds	413-416	153150	Skamania	47 of Mtgs.	41-44	70197
Franklin	11 of Official Rec.	138-141	309636	Snohomish	233 of Official Rec.	540-543	2043549
Garfield	Microfilmed under Auditor's No.		13044	Spokane	14 of Official Rec.	1048-1051	376267C
Grant	44 of Rec. Doc.	373-376	538241	Stevens	109 of Mtgs.	394-397	390635
Grays Harbor	21 of General	31-34	207544	Thurston	454 of Official Rec.	731-734	785350
Island	181 of Official Rec.	710-713	211628	Waukiakum	17 of Mortgages	89-92	24732
Jefferson	4 of Official Rec.	316-319	196853	Walla Walla	308 of Mtgs.	711-714	495721
King	5690 of Mtgs.	436-439	6382309	Whatcom	82 of Official Rec.	855-858	1047522
Kitsap	929 of Official Rec.	480-483	934770	Whitman	1 of Misc.	291-294	382282
Kittitas	111 of Mortgages	361-364	348693	Yakima	712 of Official Rec.	147-150	2170555
Klickitat	101 of Mortgages	107-110	131095				

A copy of such Master Form Deed of Trust is hereby furnished to the person executing this Deed of Trust and by executing this Deed of Trust the Grantor acknowledges receipt of such Master Form Deed of Trust.

The property which is the subject of this Deed of Trust is not used principally or primarily for agriculture or farming purposes.

The undersigned Grantor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at the address hereinbefore set forth.

WITNESS the hands and seals of the Grantor(s) on the day and year first above written.



**NEW COVENANT CORPORATION**  
*[Signature]*  
**Kenneth J. Ginnett, President/CEO**  
*[Signature]*  
**Bobetta M. Ginnett, Vice-President**

STATE OF WASHINGTON }  
COUNTY OF SKAGIT } ss

I certify that I know or have satisfactory evidence that **Kenneth J. Ginnett and Bobetta M. 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 and Vice President** 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*

*[Signature]*  
Notary Public in and for the State of Washington  
Residing at **Mount Vernon**  
My appointment expires: **12/15/2001**

**REQUEST FOR FULL RECONVEYANCE**  
*To be used only when all obligations have been paid under the note and this Deed of Trust.*

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 \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Mail reconveyance to \_\_\_\_\_

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee before cancellation will be made.

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 PENSION PORTFOLIO SERVICES, INC, 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:

**Tract 42, "PLAT OF SANDALWOOD", as per plat recorded in Volume 11 of Plats, page 78, records of Skagit County.**

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 FIFTY FIVE THOUSAND AND NO/100 DOLLARS (\$55,000.00) 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

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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:   
