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Skagit County Auditor

8/2/2002 Page 1 of 6 9:58AM

Recording Requested By And,
When Recorded Return To:
CONSUMER LOAN RECORDS CENTER
1170 SILBER RD
HOUSTON, TX 77055
APIN: MAILSTOP: CLRVLTTX

Record & Return to:
Group 9
2150 Cabot Blvd West
Langhorne, PA 19047



**Washington
Mutual**

DEED OF TRUST

0064839822

THIS DEED OF TRUST is between
ROBERT A. MACKAY AND JOYCE L. MACKAY

whose address is _____
4816 WOODSIDE DR ANACORTES, WA 98221

("Grantor"); _____ GROUP 9 _____, a _____ WASHINGTON
corporation, the address of which is _____
LANGHORNE, PA 19047

and its successors in trust and assigns ("Trustee"); and
"Washington Mutual Bank, which is organized and existing under the laws of
Washington State, and whose address is 1201 Third Avenue, Seattle, Washington
98101 ("Beneficiary") and its successors or assigns."

1. **Granting Clause.** Grantor hereby grants, bargains, sells and conveys to Trustee in
trust, with power of sale, the real property in _____ SKAGIT _____ County,
WASHINGTON _____, described below, and all interest in it Grantor ever gets:
ALL OF LOT 25, AS SHOWN ON A PLAT ENTITLED "PARKSIDE", ACCORDING TO A PLAT
FILED AS PLAT NUMBER 199103250003, FILED 3/25/1991 AMONG THE LAND RECORDS OF
SKAGIT COUNTY, STATE OF WASHINGTON. SAID PLAT MADE REFERENCE HEREIN FOR A
MORE FULL DESCRIPTION.

Tax Parcel Number: P99125

together with: all insurance and condemnation proceeds related to it; all income, rents and profits from it; all plumbing, lighting, air conditioning and heating apparatus and equipment; and all fencing, blinds, drapes, floor coverings, built-in appliances, and other fixtures, at any time installed on or in or used in connection with such real property.

All of the property described above will be called the "Property." To the extent that any of the Property is personal property, Grantor grants Beneficiary, as secured party, a security interest in all such property and this Deed of Trust shall constitute the Security Agreement between Grantor and Beneficiary. Despite any other provision of this Deed of Trust, however, Beneficiary is not granted, and will not have, a nonpurchase money security interest in household goods, to the extent such security interest would be prohibited by applicable law. As used herein "State" shall refer to the state of WASHINGTON.

2. **Security.** This Deed of Trust is given to secure performance of each promise of Grantor contained herein, and the payment of _____

TWENTY THOUSAND AND 00/100

dollars (\$20,000.00) (called the "Loan") with interest as provided in the note which evidences the Loan (the "Note") and any renewals, modifications, or extensions thereof. It also secures payment of certain fees and costs of Beneficiary as provided in Section 9 of this Deed of Trust, and repayment of money advanced by Beneficiary under Section 6 or otherwise to protect the Property or Beneficiary's interest in the Property. All amounts due under the Note and this Deed of Trust are called the "Debt."

If this box is checked, the Note provides for a variable rate of interest. Changes in the interest rate will cause the payment amount to also change.

3. **Representations of Grantor.** Grantor represents that:

(a) Grantor is the owner of the Property or contract purchaser, which is unencumbered except by easements, reservations, and restrictions of record not inconsistent with the intended use of the Property, and any existing mortgage, deed of trust or real estate contract given in good faith and for value, the existence of which has been disclosed in writing to Beneficiary; and,

(b) The Property is not presently and will not during the term of this Deed of Trust be used for any agricultural purposes.

4. **Sale, Transfer or Further Encumbrance of Property.** The loan is personal to Grantor, and the entire Debt shall become immediately due and payable in full upon any sale, or other transfer of the Property or any interest therein by Grantor by contract of sale or otherwise including, without limitation, further encumbrance of the Property. Grantor agrees to advise Beneficiary immediately in writing of any change in Grantor's name, address, or employment.

5. **Promises of Grantor.** Grantor promises:

(a) To keep the Property in good repair; and not to move, alter, or demolish any of the improvements on the Property without Beneficiary's prior written consent;

(b) To allow representatives of Beneficiary to inspect the Property at any reasonable hour, and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the Property;

(c) To pay on time all lawful taxes and assessments on the Property;

(d) To perform on time all terms, covenants and conditions of any prior real estate contract, mortgage or deed of trust covering the Property or any part of it and pay all amounts due and owing thereunder in a timely manner;

(e) To keep the Property and the improvements thereon insured by a company satisfactory to Beneficiary against fire and extended coverage perils, and against such other risks as Beneficiary may reasonably require, in an amount equal to the full insurable value of the improvements, and to deliver evidence of such insurance coverage to Beneficiary. Beneficiary shall be named as the loss payee on all such policies pursuant to a standard lender's loss payable clause and; the amount collected under any insurance policy may be applied upon any indebtedness



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hereby secured in the same manner as payments under the Note or at the Beneficiary's sole option, released to Grantor. In the event of foreclosure or sale of the Property pursuant to the Trustee's power of sale, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the Sheriff's or Trustee's sale; and,

(f) To see to it that this Deed of Trust remains a valid lien on the Property superior to all liens except those described in Section 3(a), and to keep the Property free of all encumbrances which may impair Beneficiary's security. It is agreed that if anyone asserts the priority of any encumbrance other than those described in Section 3(a) over this Deed of Trust in any pleading filed in any action, the assertion alone shall be deemed to impair the lien of this Deed of Trust for purposes of this Section 5(f).

6. Curing of Defaults. If Grantor fails to comply with any of the covenants in Section 5, including all the terms of any prior mortgage, deed of trust or real estate contract, Beneficiary may take any action required to comply with any such covenants without waiving any other right or remedy it may have for Grantor's failure to comply. Repayment to Beneficiary of all the money spent by Beneficiary on behalf of Grantor shall be secured by this Deed of Trust. The amount spent shall bear interest at the rate of interest specified in the Note and be repayable by Grantor on demand. Although Beneficiary may take action under this paragraph, Beneficiary is not obligated to do so.

7. Remedies for Default.

(a) Prompt performance under this Deed of Trust is essential. If Grantor does not pay any installment of the Debt or other amount due hereunder on time, or any other event occurs that entitles Beneficiary to declare the unpaid balance of the Debt due and payable in full under the Note, or if Grantor fails to comply with any other term, condition, obligation, or covenant contained in the Note or this Deed of Trust or any rider thereto, or any other deed of trust, mortgage, trust indenture or security agreement or other instrument having priority over this Deed of Trust, or if any representation of Grantor herein was false or misleading, the Debt and any other money whose repayment is secured by this Deed of Trust shall immediately become due and payable in full, at the option of Beneficiary, and the total amount owed by Grantor shall thereafter bear interest at the rate(s) stated in the Note. Beneficiary may then or thereafter advise Trustee of the default and of Beneficiary's election to have the Property sold pursuant to Trustee's power of sale in accordance with applicable law and deliver to Trustee any documentation as may be required by law. After giving any notices and the time required by applicable law, Trustee shall sell the Property, either in whole or in separate parcels or other part, and in such order as Trustee may choose, at public auction to the highest bidder for cash in lawful money of the United States which will be payable at the time of sale all in accordance with applicable law. Anything in the preceding sentence to the contrary notwithstanding, Beneficiary may apply the Debt towards any bid at any such sale. Trustee may postpone any such sale by providing such notice as may be required by law. Unless prohibited by law, any person, including the Grantor, Beneficiary or Trustee, may purchase at any such sale. Trustee shall apply the proceeds of the sale as follows: (i) to the expenses of the sale, including a reasonable trustee's fee and lawyer's fee; (ii) to the obligations secured by this Deed of Trust; and, (iii) the surplus, if any, shall go to the person(s) legally entitled thereto or, at Trustee's discretion, to the government or other official authorized by state law to accept such amounts.

(b) 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 the interest in the Property which Grantor had the power to convey at the time of execution of this Deed of Trust and any interest which Grantor subsequently acquired. 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. This recital shall be prima facie evidence of such compliance and conclusive evidence of such compliance in favor of bona fide purchasers and encumbrancers for value.



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(c) To the extent permitted by law the power of sale conferred by this Deed of Trust is not an exclusive remedy. Beneficiary may cause this Deed of Trust to be judicially foreclosed, sue on the Note or take any other action available to law or in equity. Beneficiary may also take such other action as it considers appropriate, including the securing of appointment of a receiver and/or exercising the rights of a secured party under the Uniform Commercial Code as then in effect in State. During pendency of any foreclosure or other realization proceedings Beneficiary shall also have the right to collect the income, rents, and profits of the Property and apply the amounts so collected toward payment of the Debt in the manner provided in the Note, and shall have the right to secure the appointment of a receiver for the Property; its income, rents and profits.

(d) By accepting payment of any sum secured by this Deed of Trust 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.

8. Condemnation; Eminent Domain. 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 Debt and all other obligations secured by this Deed of Trust, shall be paid to Beneficiary to be applied thereto in the same manner as payments under the Note.

9. Fees and Costs. Grantor shall pay Beneficiary's and Trustee's reasonable cost of searching records, other reasonable expenses as allowed by law, and reasonable lawyers' fees: in any lawsuit or other proceeding to foreclose this Deed of Trust; in any lawsuit or proceeding which Beneficiary or Trustee prosecutes or defends to protect the lien of this Deed of Trust; in any other action taken by Beneficiary to collect the Debt, including any disposition of the Property under the State Uniform Commercial Code; and any action taken in bankruptcy or appellate proceeding.

10. Reconveyance. Trustee shall reconvey the Property to the person entitled thereto, on written request of Beneficiary following satisfaction of the Debt and other obligations secured hereby. Beneficiary and Trustee shall be entitled to charge Grantor a reconveyance fee together with fees for the recordation of the reconveyance documents unless prohibited by law.

11. Trustee; Successor Trustee. Beneficiary may, unless prohibited by law, appoint a successor Trustee from time to time in the manner provided by law. The successor trustee shall be vested with all powers of the original Trustee. Trustee is not obligated to notify any party hereto of a 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.

12. Savings Clause. If a law, which applies to this Deed of Trust or the Note and which sets maximum loan charges, is finally interpreted by a court having jurisdiction so that the interest or other loan charges collected or to be collected in connection with this Deed of Trust or the Note exceed the permitted limits, then: (i) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and, (ii) any sums already collected from Grantor which exceeded permitted limits will be refunded to Grantor. Beneficiary may choose to make this refund by reducing the principal owed or by making a direct payment. If a refund reduces the principal, the reduction will be treated as a partial prepayment.

13. Miscellaneous. This Deed of Trust shall benefit and obligate the parties, their heirs, devisees, legatees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the holder and owner of the Note secured by this Deed of Trust, whether or not that person is named as Beneficiary herein. The words used in this Deed of Trust referring to one person shall be read to refer to more than one person if two or more have signed this Deed of Trust or become responsible for doing the things this Deed of Trust requires. This Deed of Trust shall be governed by and construed in accordance with federal law, and, to the extent federal law does not apply the laws of the State. If any provision of this Deed of Trust is determined to be invalid under law, that fact shall not invalidate any other provision of this Deed of Trust, but the Deed of Trust shall be construed as if not containing the particular provision or provisions held to be invalid, and all



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remaining rights and obligations of the parties shall be construed and enforced as though the invalid provision did not exist.

14. **Beneficiary and Similar Statements.** Beneficiary may assess a Statement Fee for providing a beneficiary statement, payoff statement or other statement in an amount determined by Beneficiary except as prohibited by law.

By signing below, Grantor accepts and agrees to the provisions of this Deed of Trust, and of any rider(s) executed by Grantor concurrently therewith.

DATED at ANACORTES, WASHINGTON this 17 day of July, 2002.

Joyce L Mackay
JOYCE L MACKAY

Robert A Mackay
ROBERT A MACKAY



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Skagit County Auditor

STATE OF Washington)
)
COUNTY OF Skagit) ss.

On this day personally appeared before me Robert A Mackay and Joyce A Mackay, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledge that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal this 17th day of July, 2002.

[Signature]
Notary Public in and for the State of Washington
residing at: Carrizo Island

My commission expires: 10-19-03

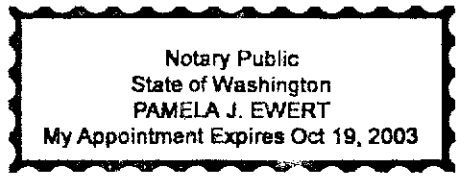
REQUEST FOR FULL RECONVEYANCE
(Do not record. To be used only when note has been paid.)

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 this 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 this Deed of Trust, to cancel the Note above mentioned, and all other evidences of indebtedness secured by this Deed of Trust together with the Deed of Trust, and to convey, without warranty, to the parties designated by the terms of this Deed of Trust, all the estate now held by you thereunder.

DATED _____

Mail reconveyance to _____



PAMELA J. EWERT

