

When Recorded Return to:

Skagit Habitat for Humanity
P.O. Box 2565
Mount Vernon, WA 98273



200512290193
Skagit County Auditor

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FIRST AMERICAN TITLE CO.

184384E-2

DEED OF TRUST

Grantor(s):

Carol Garman
a single woman

Grantees

Trustee:

First American Title Company of Skagit County

Beneficiary:

Skagit Habitat for Humanity

Legal Description (abbreviated):

Lot 7, "PLAT OF BLACKBERRY MEADOWS", as per plat recorded in Volume 16 of Plats, pages 147 and 148, records of Skagit County, Washington.

☒ Additional legal description on page 2 of document

Assessor's Tax Parcel Number(s):

4686-000-007-0000, P110830

Reference (Auditor File Numbers of Documents assigned, released or amended:

N/A

THIS DEED OF TRUST, made as of December 8, 2005, among **Carol Garman**, a single woman, as Grantor, whose address is 1405 Blackberry Drive, Mount Vernon, WA 98273; **First American Title Company of Skagit County**, as Trustee, whose address is 1301-B Riverside Drive, Mount Vernon, WA 98273; and **Skagit Habitat for Humanity, Inc.**, a Washington Non-Profit Corporation, as Beneficiary, whose address is P. O. Box 2565, Mount Vernon, WA 98273:

Deed of Trust

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Skagit Habitat for Humanity, Inc.
P. O. Box 2565
Mount Vernon, WA 98273

Elliott W. Johnson Inc PS
711 S. First Street
Mount Vernon, WA 98273
360-336-5302 Fax 336-5616
Email Info@EWJLaw.com

WITNESSETH: Grantor hereby irrevocably grants, bargains, sells, and conveys to Trustee in Trust, with power of sale, the following described real property in the City of Mount Vernon, County of Skagit, State of Washington.

Lot 7, "PLAT OF BLACKBERRY MEADOWS," as per plat recorded in Volume 16 of Plats, pages 147 and 148, records of Skagit County, Washington.

which 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; the rents, issues, and profits thereof; and any transferable development rights or other development rights (the "Property").

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of One Hundred Fifty Thousand Dollars and No Cents U.S. (\$150,000.00), with interest, in accordance with the terms of two promissory notes 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 and 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 Beneficiary, and be in such companies as Beneficiary may approve and have loss payable first to Beneficiary as Beneficiary's interests may appear and then to Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as Beneficiary shall determine. Such application by Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

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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 attorneys' 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 Trustee incurred in enforcing the obligations secured hereby and Trustee's and attorneys' fees actually incurred, as provided by statute.

6. To the extent any portion of the Property is, or is construed to be, personal property, this Deed of Trust shall constitute a security agreement between Grantor-Trustor, as debtor, and Beneficiary, as secured party, under the Uniform Commercial Code of the state in which the Property is located and any other applicable law. The grant of a security interest hereunder shall not be construed to derogate from or impair the lien or provisions of or rights of Beneficiary under this Deed of Trust with respect to any of the Property hereunder which is real property. Grantor-Trustor grants a security interest to Beneficiary in any of all furniture, furnishings, appliances, machinery, equipment, and other personal property, originally included in the sale of the premises from Beneficiary to Grantor, including all additions, accessions, replacements, substitutions, proceeds, and products of the foregoing.

7. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the Property hereinabove described, Beneficiary may, at Beneficiary's sole option, 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 by this Deed of Trust.

If Beneficiary so requests, Grantor-Trustor shall pay to Beneficiary, in addition to the regular installments of principal and interest due under the terms of the Note, monthly until the Note is paid in full a sum equal to one-twelfth (1/12) of the annual taxes, assessments, and other impositions next due on the Property, as estimated by Beneficiary and sufficient to allow payment at least 30 days before the same become due; and a sum equal to one-twelfth (1/12) of the annual premiums that will next become due and payable on policies of fire, flood, rental value, and other insurance covering the Property and required under the terms hereof or of any other loan documents as estimated by Beneficiary and sufficient to allow payment at least 30 days before the same become due.

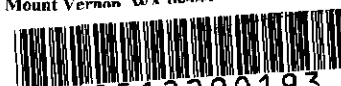
All such payments described in this section shall be held by Beneficiary in trust without any obligation arising for the payment of interest thereon to Grantor-Trustor. In the event Grantor-Trustor is not in default hereunder, Beneficiary shall apply such payment to all taxes, assessments, and other impositions and premiums next due. In the event of default by Grantor-Trustor under this Deed of Trust, Beneficiary may apply any such payments held by Beneficiary to the payment of any indebtedness secured by this Deed of Trust in such manner as Beneficiary may elect.

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IT IS MUTUALLY AGREED THAT:

1. **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 thereof as may be necessary to satisfy fully the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.

2. **No Waiver.** 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. **Release upon Satisfaction.** Trustee shall reconvey all or any part of the Property covered by this Deed of Trust to the person entitled thereto on written request of Grantor and Beneficiary, or upon satisfaction of the obligations secured and written request for reconveyance made by Beneficiary or the person entitled thereto.

4. **Acceleration and Sale of Property upon Default.** 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 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 in which the Property is located, 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 attorneys' fee; (2) to the obligations secured by this Deed of Trust; and (3) the surplus, if any, to the parties entitled thereto.

5. **Deed at Foreclosure Sale.** Trustee shall deliver its deed, without warranty, to the purchaser at the sale, which deed shall convey to the purchaser the interest in the Property which Grantor had or had the power to convey at the time of Grantor's execution of this Deed of Trust, and such as Grantor 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 encumbrancers for value.

6. **Other Remedies.** The power of sale conferred by this Deed of Trust and by applicable law is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. **Due on Sale Clause.** If Borrower should, without the prior written consent of Habitat (which consent shall not be unreasonably withheld) sell, convey, transfer, encumber, or alienate the Property, any part thereof, or any interest therein or be divested of Borrower's title or any interest

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therein in any manner, whether voluntary or involuntary, then in recognition of the reliance by Habitat on the ownership and management of the Property by Borrower which is a material inducement to Habitat to extend credit and favorable credit terms to Borrower and in recognition of the increased risk to Habitat upon the conveyance of the Property or interest, as the case may be, by Borrower, Habitat, at Habitat's sole option, shall have the right to declare all sums secured hereby forthwith due and payable. The following shall not be deemed to constitute a sale, transfer, or encumbrance for purposes hereof: (a) creation of a purchase money security interest in items which may become affixed or attached to the Property; (b) a transfer by devise, descent, or operation of law upon the death of a Borrower. Waiver of any right granted to Habitat herein as to one transaction, event, or occurrence shall not be deemed to be a waiver of right as to any subsequent transaction, event, or occurrence. Waiver of any right granted to Habitat herein as to one transaction, event, or occurrence shall not be deemed to be a waiver of right as to any subsequent transaction, event, or occurrence.

8. Successor Trustee. In the event of the death, incapacity, 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 party unless such action or proceeding is brought by Trustee.

9. Successors Bound. 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.

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GRANTOR(S):

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