UNOFFICIAL DOCUMENT

200503090059
Skagit County Auditor
3/9/2005 Page 1 of 5 1:46PM

When recorded return to:

Social and Health Services
Federal Credit Union
PO Box 408
1018 East Union Avenue
Olympia, Washington 98507
(360) 943-7676 or 1-800-327-4286

Home Equity
Deed of Trust
Home Equity Line of Credit

Grantor(s): **DAWN P CLARK AND GARY M CLARK, WIFE AND HUSBAND**

Grantee(s) **Social & Health Services Federal Credit Union**
(Additional on page 5)

Legal Description: **LOT 23, PARK RIDGE DIVISION 1, AS PER PLAT RECORDED IN VOLUME 15 OF PLATS, PAGES 112 AND 113, RECORDS OF SKAGIT COUNTY, WASHINGTON SITUATED IN SKAGIT COUNTY, WASHINGTON APN #:4611-000-023-0002**

Assessor's Property Tax Parcel or Account No.: **4611-000-023-0002**

Reference Numbers of Documents Assigned or Released: **3330700-91**

FIRST AMERICAN TITLE CO.
84062

THE DEED OF TRUST is given on **3/1/2005** by **DAWN P CLARK AND GARY M CLARK, WIFE AND HUSBAND**

(hereinafter referred to individually or collectively, as the context my require, as "Grantor") to **FIRST AMERICAN TITLE COMPANY** whose address is **1301 B RIVERSIDE DRIVE PO BOX 1667 MOUNT VERNON WA 98273**Trustee"), for the benefit of SOCIAL & HEALTH SERVICES FEDERAL CREDIT UNION, its successors and assigns, whose address is P.O. Box 408, Olympia, Washington 98507 ("Beneficiary").

Grantor does hereby grant, convey and warrant to Trustee, in trust, with power of sale, the above described property located in the County of **SKAGIT**, State of Washington which has the street address of 3904 E BROADWAY STREET, MOUNT VERNON WA 98274, together with (i) all improvements, buildings or structures of any nature whatsoever, now or hereafter erected on the property, (ii) all fixtures, including all plumbing, heating, air conditioning and ventilating equipment, now or hereafter located under, on or above the property, (iii) all rights, privileges, rents, royalties, mineral, oil and gas rights and profits, tenements, hereditaments, rights-of-way, easements, appendages, appurtenances, or riparian rights now or hereafter belonging or in any way appertaining to the property, and (iv) all of Grantor's right, title and interest in and to any streets, rights-of-way, alleys or strips of land now or hereafter adjoining thereto, including any replacements and additions to any of the foregoing. All of the foregoing is collectively referred to in this Deed of Trust as the "Property."

THE PROPERTY IS NOT USED PRINCIPALLY FOR AGRICULTURAL OR FARMING PURPOSES.

This Deed of Trust is for the purpose of securing the payment of all indebtedness, including principal, interest, Advances (as hereinafter defined), all other amounts, finance charges, payments and premiums due and the performance of all obligations that Grantor now or hereafter owes Beneficiary under this Deed of Trust and under that certain agreement governing Grantor's Open-end Home Equity Credit Plan entered into between Grantor and Beneficiary of the even date herewith ("Agreement"), including all extensions, renewals and modifications thereof (all of such obligations being hereinafter referred to as the ("Debt"). The Agreement has a credit limit of **$50,000.00** unless the limit is increased and a notice of such increase is recorded in the Office of the County Auditor in the county where this Deed of Trust has been recorded.

The Deed of Trust is for the purpose of securing a revolving credit loan and shall secure not only presently existing indebtedness under the Agreement but also future advances, whether such advances are obligatory or to be made at the option of Beneficiary, or otherwise, as are made within **ten** years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Deed of Trust shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for recording in the Office of the County Auditor in the county in which the Property is located. The total amount of indebtedness secured hereby my increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby (including disbursements which Beneficiary may take under this Deed of Trust, the Agreement or any other document with respect thereof) at any one time outstanding shall not exceed the credit limit set forth above **plus** interest and late charges accruing thereon and any advances or disbursements which Beneficiary may make pursuant to the terms of this Deed of Trust, the Agreement or any other document with respect thereto, including but not limited to payment for taxes, special assessments or insurance on the Property and the interest on such disbursements. This Deed of Trust is intended to shall be valid and have priority over all subsequent liens and encumbrances, including statutory liens, excepting taxes and assessments levied on the Property not yet due and payable, to the extent of the maximum amount secured hereby. The unpaid balance of the revolving credit loan may at certain times be zero. A zero balance does not terminate the revolving credit loan or Beneficiary's obligation to advance funds to Grantor. Therefore, the lien of this Deed of Trust will remain in full force and effect notwithstanding any zero balance.

A. REPRESENTATIONS

Grantor hereby represents to Beneficiary as follows:

1. **Validity of Security Documents.**

(a) The execution, delivery and performance by Grantor of the Agreement, this Deed of Trust and all other documents and instruments now or hereafter furnished to Beneficiary to evidence or secure payment of the Debt (the "Security Documents"), and the borrowing evidenced by the Agreement, will not violate any provision of law, any order of any court or other agency of government, or any mortgage, indenture, trust agreement or other instrument to which Grantor is party or by which Grantor or any of Grantor's property is bound, or be in conflict with, or will result in a material breach of or constitute (with due notice and/or lapse of time) a default under any such mortgage, indenture, trust agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of Grantor's property or assets, except as contemplated by the provisions of the Security Documents; and

(b) The Security Documents, as and when executed and delivered by Grantor, constitute the legal, valid and binding obligations of Grantor in accordance with their respective terms subject to applicable bankruptcy and insolvency laws.

2. **Other Information.** All other information, reports, papers, and data given to Beneficiary, or to Beneficiary's legal counsel, with respect to Grantor, the Property, or the loan evidenced by the Security Documents are accurate and correct in all material respects and complete insofar as completeness may be necessary to give beneficiary a true and accurate knowledge of the subject matter.

3. **Title.** Grantor has good and marketable title in fee simple to the Property free and clear of all encumbrances except for encumbrances of record as of the date of this Deed of Trust. Grantor will preserve its title to the Property and will forever covenant and defend the same to Beneficiary and will forever covenant and defend the validity priority of the lien of this Deed of Trust.

4. **Litigation.** There is not now pending or threatened against or affecting the Property, nor, to the knowledge of Grantor, is there contemplated, any action, suit or proceeding at law or in equity or by or before any administrative agency which, if adversely determined, would impair or adversely affect the value or operation of the Property.

5. **Environmental Indemnity.** Grantor shall indemnify and hold Beneficiary harmless against and from any and all loss, cost, damage claim or expense (including, without limitation, any and all attorney's fees or expenses of litigation) incurred or suffered by Beneficiary on account of (i) the location on the Property of any chemicals, material, substance, or contaminant (including, without limitation, oil, petroleum products, asbestos, urea, formaldehyde, foam insulation, hazardous waste and/or toxic waste), the presence or storage of which or the exposure to which is prohibited, limited, or regulated by any federal, state, county, regional, or local governmental unit, agency or authority, or which presence, storage, or exposure may pose a hazard to health and safety, or (ii) the failure by Grantor or prior owner or occupant of the Property to comply with any applicable federal, state, county, regional or local environmental laws, regulations, and court or administrative orders.

B. ADDITIONAL COVENANTS

Until the entire Debt shall have been repaid in full, Grantor covenants and agrees as follows:

6. **Payment of Indebtedness.** Grantor shall timely pay and discharge the Debt or any part thereof in accordance with terms and conditions of the Agreement, this Deed of Trust, and the Security Documents.

7. **Payment of Taxes and Assessments.** Grantor shall duly pay and discharge, or caused to be paid and discharged all real estate and personal property taxes and other taxes and assessments, public or private; water and sewer rates and charges; all other governmental and non-governmental charges applicable to the Property; and any interest or cost penalties with respect to any of the foregoing; and charges for any easement or agreement maintained for the benefit of the Property; general and special, ordinary or extraordinary, foreseen or unforeseen, of any kind or nature whatsoever which may at any time prior to or after execution of this Deed of Trust, be assessed, levied, or imposed upon the Property or the rent or income received therefrom, or any use or occupancy thereof. All of the foregoing are hereinafter collectively referred to as "Assessments." Grantor shall provide Beneficiary with satisfactory proof of payment of any Assessments within ten (10) days of the date any such Assessments are due. In the event Grantor fails to timely pay any such Assessments, Beneficiary may, but shall not be obligated to, make such payments and any amounts so paid by Beneficiary shall constitute Advances in accordance with paragraph 16 hereof.

8. **Hazard Insurance.** Grantor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards for which Beneficiary requires insurance. If the property is located in an area designated by the Director of the Federal Emergency Agency as a special flood hazard area, Grantor agrees to obtain Federal Flood Insurance to the extent such insurance is required for the term of the loan and for the full indebtedness of the loan. Insurance policies shall be maintained in the amounts and for the periods that Beneficiary requires. The insurance carrier providing the insurance shall be chosen by the Grantor subject to beneficiary's approval which shall not be unreasonably withheld.
All insurance policies and renewals shall be acceptable to the Beneficiary and shall include a standard mortgage clause. Beneficiary shall have the right to hold the policies and renewals. If Beneficiary requires, Grantor shall name Beneficiary as "loss-payee" and shall promptly give to Beneficiary all receipts of paid premiums and renewal notices. In the event of loss, Grantor shall give prompt notice to the insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Grantor.
Unless Beneficiary and Grantor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Beneficiary's security would be lessened or impaired, the insurance proceeds shall be applied to the sums secured by this Deed of Trust, whether or not then due, with any excess paid to Grantor. If Grantor abandons the Property, or does not answer within 30 days a notice from Beneficiary that the insurance carrier has offered to settle a claim, then Beneficiary may collect the insurance proceeds. Beneficiary may use the proceeds to repair or restore the Property or to pay sums secured by this Deed of Trust, whether or not then due. The 30-day period will begin when the notice is given.
Unless Beneficiary and Grantor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in Paragraph 6 or change the amount of the payments. If under Paragraph 21 the Property is acquired by Beneficiary, Grantor's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Beneficiary to the extent of the sums secured by this Deed of Trust immediately prior to the acquisition.

9. **Repair.** Grantor shall keep the Property in good order and condition and make all necessary or appropriate repairs, replacements and renewals thereof. Grantor agrees not to permit or allow any waste of the Property or make or permit to be made any material alterations or additions to the Property that would have the effect of diminishing the value thereof or that will in any way increase the risk of any fire or hazard arising out of the construction or operation thereof. Grantor agrees not to alter or remove any structure or fixture in the Property without Beneficiary's prior written consent. Grantor shall prevent any act or thing which might adversely effect or impair the value or usefulness of the Property.

10. **Restoration Following Uninsured Casualty.** In the event of the happening of any casualty, of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, not covered by any insurance policy, resulting in damage to or destruction of the Property, Grantor shall give notice thereof to Beneficiary and Grantor shall promptly at Grantor's sole cost and expense, commence and diligently continue to restore, repair, replace, rebuild, or alter the damaged or destroyed Property as nearly as possible to its value, condition and character immediately prior to such damage or destruction.

11. **Compliance With Laws.** Grantor shall promptly and faithfully comply with, conform to and obey or contest by appropriate proceedings in good faith all present, and use it best efforts as to future, laws, ordinances, rules, regulations and requirements of every duly constituted governmental authority or agency and of every board of fire underwriters having jurisdiction, or similar body exercising functions, which may be applicable to it or to the Property or to the use and manner of use, occupancy, possession, operation, maintenance, or reconstruction of the Property, whether or not such law, ordinance, rule, order, regulation, or requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Property.

200503090059
Skagit County Auditor
3/9/2005 Page 2 of 5 1:46PM

12. **Performance of Other Agreements.** Grantor shall duly and punctually perform all covenants and agreements expressed as binding upon it under any agreement of any nature whatsoever that involves the Property, including, without limitation, all rules and regulations of a homeowners or condominium association if the Property is part of a condominium, cooperative, phased, developed or other homeowners association.

13. **Inspection.** Grantor shall permit Beneficiary, and parties designated by Beneficiary, at all reasonable times, to inspect the Property.

14. **Hold Harmless.** Grantor shall at Grantor's sole cost and expense, save, indemnify and hold the Trustee and Beneficiary, and their respective officers, directors, employees and agents, harmless against and from any injury, claim, demand, suit, judgment, execution, liability, debt, damage, or penalty (hereinafter collectively referred to as "Claims") affecting the Property, or the value of any of the Security Documents, arising out of, resulting from, or alleged to arise out of or result from, any action or inaction by Grantor, except as may be the direct result of Beneficiary's negligence. Grantor shall pay all expenses incurred by the Trustee and Beneficiary in defending itself with regard to any and all Claims. These expenses shall include all out-of-pocket expenses, such as attorneys' and experts' fees, and shall also include the reasonable value of any services rendered by any employee of Beneficiary.

15. **Expenses.** Grantor shall pay or reimburse Trustee and Beneficiary for all reasonable attorneys' fees, reasonable costs and expenses paid or incurred by Trustee or Beneficiary in any action, proceeding or dispute of any kind in which Trustee or Beneficiary is made a party or appears as party plaintiff or defendant, involving any of the Security Documents, Grantor, or the Property, including, without limitation, to the foreclosure or other enforcement of this Deed of Trust, any condemnation involving the Property, any action to protect the security hereof, or any proceedings in probate or bankruptcy, and any such amounts paid, or incurred by Grantor shall constitute Advances in accordance with Paragraph 16 thereof.

16. **Advances.** In the event that Grantor fails to perform any act required of Grantor by any of the Security Documents or to pay when due any amount required to be paid by any of the Security Documents, Beneficiary may, but shall not be obligated to, make such payment or perform such act. Such payment or performance by Beneficiary shall not have the effect of curing any Event of Default or of extending the time for making any payment due hereunder or under the Agreement. All amounts so paid by Beneficiary, together with all expenses incurred in connection therewith, shall be deemed advances ("Advances") under this Deed of Trust and the Agreement, shall be immediately due and payable, and shall be added to the Debt. Advances shall bear interest from the date expended at the rate specified in the Agreement and shall be secured by this Deed of Trust as though originally a part of the principal amount of the Debt.

17. **Use Violations.** Grantor shall not use the Property or allow the same to be used or occupied for any unlawful purpose or in violation of any permit or certificate, or any law, ordinance, regulation or restrictive covenant, covering or affecting the use or occupancy thereof, or suffer any act to be done or any condition to exist on the Property or any article to be brought thereon, that may be dangerous, unless safeguarded as required by law, or that may, in law, constitute a nuisance, public or private.

18. **Other Liens.** Grantor shall not, without the prior consent of Beneficiary, create or permit to be created or to remain, any mortgage , pledge, lien, encumbrance or charge on, security interest in, or conditional sale of or other title retention agreement on (whether prior or subordinate to the liens of the Security Documents) the Property or income therefrom other than the Security Documents ("Liens"). In the event the Grantor fails to promptly discharge any such Liens, Beneficiary may, but shall not be obligated to, do so and any amounts paid or incurred by Beneficiary (including reasonable attorney's fees in connection therewith), shall be treated as Advances in accordance with Paragraph 16 hereof.

19. **Transfer of the Property.** Grantor shall not sell, convey, transfer or assign the Property or any beneficial interest therein or any part thereof, whether by operation of law or otherwise, without the prior written consent of Beneficiary. In the event of such a sale, conveyance, transfer or assignment, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if exercise is prohibited by applicable law as of the date of this Deed of Trust. If Beneficiary exercises Beneficiary's option to require immediate payment in full, Beneficiary shall give Grantor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Grantor must pay all sums secured by this Deed of Trust. If Grantor fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Grantor.

20. **Events of Default.** The term Event of Default, as used in the Security Documents, shall mean the occurrence or happening, from time to time, of any one or more of the following: (a) Grantor fails to make any payment required by this Deed of Trust or the Agreement when it is due; (b) Grantor fails to comply with any of the covenants, terms or conditions of this Deed of Trust, the Agreement or any Security Documents; (c) Grantor has engaged in or engages in fraud or material misrepresentation, either by act or omission, in connect with this Deed of Trust or the Agreement at any time during the application process or during the term of this Deed of Trust or the Agreement; or (d) Grantor acts or fails to act in a way that adversely affects the security under this Deed of Trust, including, without limitation, the following: (i) Grantor transfers title to the Property or sells the Property without the consent of Beneficiary; (ii) Grantor fails to maintain the insurance required to be carried by Grantor according to the terms of this Deed of Trust; (iii) Grantor fails to pay any Assessments on Property; (iv) Grantor permits the filing of a lien against the Property senior to that held by Beneficiary; (v) the death of Grantor (in the event of more than one Grantor, the death of the last remaining Grantor who executed the Agreement); (vi) the Property is taken by condemnation or power of eminent domain; or (vii) the holder or beneficiary of any mortgage or deed of trust covering the Property commences foreclosure of such mortgage or deed of trust.

21. **Remedies.** If an Event of Default shall occur and be continuing, Beneficiary may at its option, after providing Grantor with at least thirty (30) days advance notice of and opportunity to cure the Event of Default, exercise any, some or all of the following remedies:

(a) **Acceleration.** Beneficiary may declare the unpaid portion of the Debt to be immediately due and payable, without further notice or demand (each of which hereby is expressly waived by Grantor), whereupon the Debt shall become immediately due and payable, anything in the Agreement or in the Security Documents to be contrary notwithstanding; provided further that the unpaid portion of the Debt shall be immediately and automatically due and payable without action of any kind on the part of Beneficiary.

(b) **Enforcement of Deed of Trust.** Beneficiary, with or without entry, personally or by its agents or attorneys, insofar as applicable, may:

(i) request in writing that Trustee or Trustee's authorized agent sell the Property, in accordance with the Deed of Trust Act of Washington (as amended), at public auction to the highest bidder, and apply the proceeds of such sale as provided by law. Any person, including Beneficiary, may bid and become the purchaser at the trustee's sale;

(ii) upon sale of the Property at a trustee's sale, Trustee shall deliver to the purchaser at such sale a trustee's deed, which shall convey to the purchaser the interest in the Property which Grantor had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor may have acquired thereafter. The trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of the 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;

(iii) take steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in the Agreement or in this Deed of Trust, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as Beneficiary shall elect;

(iv) collect any rents, profits, or other amounts due Grantor from any lease, land contract, or other agreement by which Grantor is leasing or selling any interest in the Property, and exercise Grantor's rights and remedies under such agreements, to the extent permitted by law. Beneficiary shall have no obligation to make any demand or inquiry as to the nature or sufficiency of any payment Beneficiary receives or to present or file any claim or take any other action to collect or enforce the payment of any amounts Beneficiary is entitled to under this Deed of Trust;

200503090059
Skagit County Auditor
3/9/2005 Page 3 of 5 1:46PM

(v) pay on Grantor's behalf all or any part of the debt and obligations then secured by any prior mortgage, deed of trust or other lien, whether or not they are then due and payable and whether or not Grantor is then in default under the prior mortgage, deed of trust or other lien. However, Beneficiary will not be required to do so. Any payment Beneficiary makes shall become part of the Debt, and shall be payable on Beneficiary's demand, together with interest at the same rate as the Debt bears from time to time;

(vi) obtain or update commitments for title insurance, tax histories or title searches concerning the Property. Any amounts that Beneficiary spends in doing so will become part of the Debt;

(vii) exercise any of Grantor's rights and options under any lease, land contract, or other agreement by which Grantor is leasing or purchasing any interest on the Property, including any option to purchase the Property or to renew or extend the term of the lease, land contract, or other agreement, or to prepay in whole or in part the lease, land contract or other agreement. Beneficiary will have no obligation will have no obligation to exercise any such right or option; or

(viii) enforce this Deed of Trust in any other manner permitted under the laws of the State of Washington, including foreclosure of this Deed of Trust as a mortgage.

(c) **Appointment of Receiver.** At any time before or after the commencement of an action to foreclose this Deed of Trust, Beneficiary shall be entitled to and may apply to the court for the appointment of a receiver of the Property, without notice or the requirement of bond (any all such notice any bond being hereby expressly waived) and without regard to solvency or insolvency of Grantor at the time of application for such receiver and without regard to the then value of the Property. Such receiver shall have power to collect the receipts, rents, issues and profits of the Property, including during the pendency of such foreclosure action and, in the case of a sale and a deficiency, during the full statutory period of redemption (if any), whether there be redemption or not, as well as there being any further times (if any) when Grantor, except for the intervention of such receiver, would be entitled to collect such receipts, rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Property. Such receiver shall have all of the rights and powers permitted under the laws of the State of Washington. The receiver shall be authorized to apply the net income in its hands in payment in whole or in part of: (a) the Debt or any order or judgment foreclosing the lien of this Deed of Trust, or any tax, special assessment or other lien which may be or become superior to the lien and security interest hereof or the lien of such order or judgment, provided such application is made prior to foreclosure sale; and (b) the deficiency in this case of a foreclosure sale and deficiency. The reasonable expenses, including the receiver's fee, counsel's fees, costs and agent's commission incurred pursuant to the powers herein contained shall be secured hereby.

(d) **Remedies Cumulative and Concurrent.** The rights and remedies of Beneficiary as provided in the Security Documents shall be cumulative any concurrent and may be pursued separately, successively or together against Grantor or the Property, or any one of them, at the sole discretion of Beneficiary, and may be exercised as often as occasion therefor shall arise, all to the maximum extent permitted by applicable laws, rules and regulations. If Beneficiary elects to proceed under one right or remedy under this Deed of Trust or the Agreement, Beneficiary may at any time cease proceeding under such right or remedy and proceed under any other right of remedy under this Deed of Trust or the Agreement. The failure to exercise such right or remedy shall in no event be construed as a waiver or release thereof. Nothing in the Agreement or this Deed of Trust shall affect Grantor's obligations to pay the Debt and perform its obligations in accordance with the terms thereof.

(e) **No Conditions Precedent to Exercise Remedies.** Neither Grantor nor any other person now or hereafter obligated for timely payment of all or any part of the Debt shall be relieved of such obligation by reason of the acceptance by Beneficiary of any payment after its due date, or the failure of Beneficiary to comply with any request of Grantor or any other person so obligated to take action to foreclose on this Deed of Trust or otherwise enforce any provisions of this Deed of Trust or the Agreement, or by reason of the release, regardless of consideration, of all or any part of the security held for Debt, or by reason of any agreement or stipulation between any subsequent owner of the Property and Beneficiary extending the time of payment or modifying the terms of this Deed of Trust or the Agreement without first having obtained the consent of Grantor or such other person; and in the latter event Grantor and all such other persons shall continue to be liable to make payment according to the terms of any such extension or modification agreement, unless expressly released and discharged in writing by Beneficiary.

(f) **Discontinuance of Proceedings.** In case Beneficiary shall have proceeded to enforce any right under any of the Security Documents and such proceedings shall have been discontinued or abandoned for any reason, then in every such case, Grantor and Beneficiary shall be restored to their former positions and the rights, remedies and powers of Beneficiary shall continue as if no such proceedings had been taken.

22. **Successor Trustee.** In the event of death, dissolution, incapacity, disability or resignation of Trustee, Beneficiary shall appoint in writing a successor trustee, and upon the recording of such appointment in the Office of the County Auditor in the county in which the Property is located, the successor trustee shall be vested with all powers of the original trustee.

23. **Reconveyance by Trustee.** Trustee shall reconvey all or any part of the Property to the person entitled thereto, on written request of Beneficiary, or upon satisfaction of the Debt and written request for reconveyance made by Beneficiary or the person entitled thereto.

24. **Condemnation.** In the event of the taking by eminent domain proceedings or the like of any part or all of the Property by any federal, state, municipal or other governmental authority or agency thereof, all awards or other compensation for such taking shall be paid to Beneficiary for application on the Debt, provided that no such application shall result in additional interest or have the effect of curing any Event of Default or extending the time for making any payment due hereunder or under the Agreement.

25. **Prior Deed of Trust.** If this Deed of Trust is subject to a prior mortgage or deed of trust, the lien of which is superior to the lien of this Deed of Trust, Grantor agrees to pay each installment of the debt secured by the prior mortgage or deed of trust when it is due, whether by acceleration or otherwise. Grantor also agrees to pay and perform all other obligations of the mortgage or grantor under prior mortgage or deed of trust. Grantor agrees to provide Beneficiary with proof of payment or performance under the prior mortgage or deed of trust whenever Beneficiary requests it. If Grantor fails to pay any installment of principal or interest when it is due or if Grantor fails to pay or perform any other obligation under the prior mortgage or deed of trust, Beneficiary shall have the right, but not the obligation, to pay the installment or to pay or perform such other obligation on Grantor's behalf any amounts Beneficiary spends in performing Grantor's obligations will become part of the Debt, payable by Grantor on Beneficiary's demand, and will bear interest at the same rate as the Debt bears from time to time. Beneficiary may rely upon any written notice of default under the prior mortgage or deed of trust that Beneficiary receives from the holder of the prior mortgage of deed of trust even though Grantor questions or denies the existence, extent, or nature of the default. Grantor shall not renew, extend or modify the prior mortgage or deed of trust, and shall not increase the debt secured by the prior mortgage or deed of trust, without Beneficiary's prior written consent.

26. **Survival of Warranties and Covenants.** The warranties, covenants and agreements set forth in the Security Documents shall survive the making of the loan and the execution and delivery of the Agreement, and shall continue in full force and effect until the Debt shall have been paid in full.

27. **Further Assurances.** Grantor shall, upon the reasonable request of Beneficiary, execute, acknowledge and deliver such further instruments (including, without limitation, a declaration of no set-off) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purposes of the Security Documents and to subject to the liens thereof any property intended by the terms thereof to be covered thereby and renewals, additions, substitutions, replacements or betterments thereto.

28. **Recording and Filing.** Grantor shall, at Grantor's sole cost and expense, cause those Security Documents and all supplements thereto, for which constructive notice must be given to protect Beneficiary, at all times to be recorded and filed, and re-recorded and re-filed, in such manner and in such places as Beneficiary shall reasonably request, and shall pay all such recording, filing, re-recording and re-filing fees and other charges.

29. **Loan Expenses.** Grantor shall pay all applicable costs, expenses and fees set forth in the Agreement.

200503090059
Skagit County Auditor
3/9/2005 Page 4 of 5 1:46PM

30. **No Representation by Beneficiary.** By accepting or approving anything required to be observed, performed or fulfilled, or to be given to Beneficiary, pursuant to this Deed of Trust, including (but not limited to any officer's certificate, balance sheet, statement of profit and loss or other financial statement, survey or appraisal), Beneficiary shall not be deemed to have arranged or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or representation with respect thereto by Beneficiary.

31. **Incorporation of Agreement.** Each and every term, covenant and provision contained in the Agreement is, by this reference, incorporated in to this Deed of Trust as if fully set forth herein.

32. **Notice.** Except for any notice required under applicable law to be given in another manner, any notice provided for in this Deed of Trust shall bee in writing and shall be deemed properly delivered three (3) days after deposit thereof in any main or branch United States Post Office, certified or first class United States Mail, postage prepaid, addressed as follows or at such other address as may be designated by notice as provided herein:

If to the Grantor:	If to the Beneficiary:
DAWN P CLARK GARY M CLARK 3904 E BROADWAY STREET MOUNT VERNON, WA 98274	Social & Health Services Federal Credit Union P.O. Box 408 Olympia, WA 98507

33. **Covenants Running With the Land.** All covenants contained in this Deed of Trust shall run with the Land.

34. **Successors and Assigns.** All of the terms of this Deed of Trust shall apply to and be binding upon, and inure to the benefit of, the successors and assigns of Grantor and Beneficiary, respectively, and all persons claiming under or through them; provided that nothing in this Paragraph shall be construed to permit a transfer, conveyance or assignment other than as expressly permitted by this Deed of Trust.

35. **Multiple Grantors.** Grantor's covenants and agreements hereunder shall be joint, several and primary. Any Grantor who co-signs this Deed of Trust but does not execute the Agreement: (a) is co-signing this Deed of Trust only to mortgage, grant and convey the Property; (b) is not personally obligated to pay the Debt; and (c) agrees that Beneficiary and any other Grantor may agree to extend, modify, forebear or make any accommodations with regard to the terms of this Deed of Trust or the Agreement without that Grantor's consent.

36. **Severability.** In case any one or more of the obligations or the provisions of this Deed of Trust or of the Agreement shall be determined to be invalid, illegal or unenforceable in any respect, the validity of the remaining obligations or provisions of this Deed of Trust shall in no way be affected, prejudiced or disturbed thereby.

37. **Modification.** This Deed of Trust may not be changed, waived, discharged or terminated orally, but only by an instrument or instruments in writing, signed by the party against which enforcement of the change, waiver, discharge or termination is asserted.

38. **Applicable Law.** This Deed of Trust shall be governed by and construed according to the laws of the State of Washington.

39. **Strict Performance.** Any failure by Beneficiary to insist upon strict performance by Grantor of any of the terms and provisions of this Deed of Trust or any of the Security Documents shall not be deemed to be a waiver of any of the terms or provisions of this Deed of Trust or any of the Security Documents, and Beneficiary shall have the right thereafter to insist upon strict performance by Grantor of any and all of them.

40. **Heading.** The headings and the section and paragraph entitlements hereof are inserted for convenience of reference only, and shall in no way alter or modify the text of such paragraphs, sections and subsections.

41. **Riders.** If one or more riders are attached to and made part of this Deed of Trust, the covenants and agreements for each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Deed of Trust.

IN WITNESS WHEREOF, the Grantor has executed this instrument the day and year first above written.

GRANTOR:

X Dawn P Clark
DAWN P CLARK

X Gary M Clark
GARY M CLARK

STATE OF WASHINGTON **SS:**
COUNTY OF Skagit

I certify that I know or have satisfactory evidence that Dawn Clark & Gary Clark is (are) the person(s) who appeared before me, and said person(s) acknowledged they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this instrument.

DATED: 3/2/5

Sara Surdyk
NOTARY PUBLIC for the State of Washington, residing at Skagit
My appointment expires: 1/22/9

SARA J. SURDYK NOTARY PUBLIC STATE OF WASHINGTON COMM. EXP. JANUARY 22, 2009

UNOFFICIAL DOCUMENT

200503090059
Skagit County Auditor
3/9/2005 Page 5 of 5 1:46PM