101773 BOOK 102 PAGE 487

[illegible] association [illegible] Deed of Trust

[illegible]

FILED FOR RECORD AT REQUEST OF:

[illegible]

WHEN RECORDED MAIL TO:

[illegible]

RESERVED FOR RECORDING DATA

THIS DEED OF TRUST, made this [illegible] day of [illegible], 19[illegible], between [illegible] Grantor, [illegible] Trustee, and [illegible] Beneficiary,

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

[illegible] point on the South right of way line of the Vancouver Power Administrator [illegible] Line, [illegible] 538.00 feet from the intersection of said right of way line with the [illegible] Line of the Southeast Quarter of Section 10, Township 3 North, Range 10 East, of the Willamette Meridian [illegible]

[illegible]

[illegible]

[illegible]

Grantor further covenants and agrees with the Beneficiary as follows:

1. The property subject to this Deed of Trust is not used principally for agricultural or farming purposes.

2. Grantor is lawfully seized in fee simple of the property conveyed herein and could convey fully and freely. Or, if applicable, Grantor covenants that Grantor has fully paid or satisfied the purchase price, is lawfully seized and is warranting title in favor of Grantor to Beneficiary under this Deed of Trust.

3. Grantor has good right to grant and convey the property. The property is free and clear of all encumbrances and liens except as shown on the attached Schedule of Exceptions, if any. Grantor will warrant and defend title to the property against all claims and demands of all persons whomsoever, subject only to exceptions to title to the property.

4. Grantor agrees to keep the property free from mechanic's liens, governmental liens and any and all other liens and encumbrances of any kind, without the prior express written consent of Beneficiary.

5. Grantor agrees to promptly pay when due the principal and interest on the promissory note secured by this Deed of Trust.

6. Grantor agrees to maintain the improvements and all other improvements on the property in good repair and condition, and not to remove, demolish, nor suffer any waste to be committed upon the property, and not to take or suffer to be taken any of other items, fixtures, furnishings, equipment and materials comprising the property or and not to permit and to pay all fees or charges of any kind in connection with the property.

7. Grantor agrees to pay all taxes, assessments, filing and other fees and charges against the property, and to pay such property prior to the Deed of Trust, including assessments, governmental and other charges, if any, and mechanic's liens, when due, directly to the party entitled to the payment. Grantor shall furnish to Beneficiary receipts of payment of all such taxes and charges. In the event Grantor shall fail to timely make such payments, Beneficiary may, at its option, make such payments directly to the party entitled to the payment. Grantor shall furnish receipts to Beneficiary evidencing such payments.

8. Grantor shall maintain insurance on the property, together with any improvements thereon, insuring against any loss by fire, hazards, or any other contingencies as may be reasonably required from time to time by Beneficiary. The insurance shall be in such amounts and for such periods of time as Beneficiary may designate. All such insurance shall have a lien payable clause in favor of and in form satisfactory to Beneficiary.

9. Beneficiary may make or cause to be made reasonable entries upon and inspections of the property, provided that the Beneficiary shall give Grantor notice prior to any such inspection.

10. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid directly to Beneficiary. In the event of a partial or total condemnation or other taking of the property, the proceeds shall be applied to the indebtedness secured by this Deed of Trust, with the excess, if any, paid to the Grantor. Unless otherwise agreed in writing by Beneficiary, any such application of proceeds to the indebtedness secured by this Deed of Trust shall not extend or postpone the due date of the regular installment payments provided for by the terms of the promissory note or any other indebtedness secured by this Deed of Trust.

11. Grantor agrees that if Beneficiary extends, renews or modifies the terms of any indebtedness secured by this Deed of Trust or if Beneficiary releases any other security securing such indebtedness, any and all such extensions, renewals, modifications or releases shall not operate to release, discharge or diminish the liability of Grantor for all indebtedness secured by this Deed of Trust.

12. In the event of a transfer of all or any part of Grantor's interest in the property, whether voluntary, involuntary or by operation of law, Beneficiary may, at its option, treat such transfer as a default by Grantor of any nature to the extent it is prohibited by or in this Deed of Trust. In the event Beneficiary does not elect to treat such transfer as a default under the terms of this Deed of Trust, Beneficiary may, at its option, require an assumption agreement.

a. Not less than ninety (90) days prior to any such transfer, Grantor shall notify Beneficiary in writing of the proposed transfer and shall provide Beneficiary with such information regarding the terms and conditions of the proposed transfer and the transferee as Beneficiary may reasonably request, including but not limited to financial information, credit worthiness and business qualifications of the transferee, as Beneficiary may reasonably require.

[illegible]

Beneficiary, at its option, shall be entitled to increase the rate of interest on the indebtedness secured by this Deed of Trust to a rate not exceeding the greater of (i) up to the maximum legal per annum above the existing interest rate on the indebtedness, or (ii) Beneficiary's then prevailing prime rate or the base rate of any successor, plus demonstration of Beneficiary's then prevailing interest rate by Beneficiary shall be conclusive if made in good faith. In the interest rate is increased pursuant to this paragraph, the amount of the installment payments under any promissory notes shall be increased to the amount necessary to amortize the indebtedness during its original term.

d. Beneficiary may require Grantor to continue to be bound as a principal to repay all indebtedness herein secured.

13. If the interest of Grantor in the property secured by this Deed of Trust is either a purchaser's or seller's interest in a contract for the sale of real property, then Grantor hereby specifically acknowledge and agree that, upon default, Grantor's interest in the property may be foreclosed by Beneficiary, at its sole option: (a) judicially according to the laws of Washington's Deed of Trust statutes; (b) as a mortgage under RCW Chapter 61.12 et seq; (c) under Article Nine of the Washington Uniform Commercial Code.

14. Grantor hereby agrees that this Deed of Trust shall also be construed as a security agreement under Article Nine of the Washington Uniform Commercial Code. At Beneficiary's request, Grantor agrees to execute and deliver such financing statements as Beneficiary may require to perfect its security interest under the Uniform Commercial Code.

15. As further security for the indebtedness secured by this Deed of Trust, Grantor hereby assigns to Beneficiary any and all rents, issues and profits of the property and Grantor's interest in all leases now or hereafter affecting the property. Upon notice by Beneficiary, and, in any event, upon default, Beneficiary may directly collect all such leases, rents and other payments due Grantor. Nothing contained in this paragraph shall obligate Beneficiary to perform any of Grantor's duties or obligations under any lease or other agreement affecting the property.

16. The following shall be events of default under this Deed of Trust: (a) Default in the payments or performance, when due or payable, of any indebtedness secured by this Deed of Trust; (b) Breach by Grantor of any representations, warranties or covenants contained in this Deed of Trust or any other agreement, instrument or document affecting or secured by this Deed of Trust; (c) The making by Grantor of any material misrepresentation to Beneficiary for the purpose of obtaining credit, or misrepresentation of credit; (d) The bankruptcy of any Grantor, or the filing by Grantor of a petition in bankruptcy, or the filing against Grantor of a petition in bankruptcy, or the appointment of a receiver or trustee for Grantor, or assignment for the benefit of creditors by Grantor, or the institution by or against Grantor of any bankruptcy, reorganization, debtor relief, insolvency, receivership or similar proceeding; (e) The sale, lease, or other disposition of any [illegible] which in the judgment of Beneficiary may adversely affect the business or [illegible] of Grantor, or which, in the judgment of Beneficiary, may impair the security of Beneficiary or materially increase Beneficiary's risk.

17. Upon the happening of any of the above events of default, Beneficiary [illegible] all other rights and remedies at law or in equity, [illegible] rights and remedies: (a) To declare the entire unpaid balance of the Deed of Trust to be immediately due and payable; (b) To notify any [illegible] to make payment to Beneficiary; (c) To enter upon, take possession of, manage and operate the property and the rents, issues and profits of the property; (d) To have a receiver appointed to take possession of the property and the rents, issues and profits of the property; (e) To have the property sold under the Deed of Trust; (f) judicially under the Washington Deed of Trust statutes; (g) As a mortgage under RCW Chapter 61.12 et seq; (h) under Article Nine of the Washington Uniform Commercial Code; (i) [illegible] rights and remedies provided by law or under Deed of Trust.

18. All rights and remedies of Beneficiary provided for in this Deed of Trust are intended to be cumulative and not in substitution for any other rights and remedies available to Beneficiary.

19. Grantor hereby waives any right to require Beneficiary to marshall any of its properties in the inverse order of alienation, and of the given property or any other property, or any part thereof, in any manner Beneficiary may elect.

20. This Deed of Trust shall not be modified or amended except by written agreement signed by the parties or their successors or assigns. The waiver of any Beneficiary of any breach of any term of this Deed of Trust shall not be construed as a waiver of any subsequent breach. The failure of Beneficiary to exercise any right granted herein upon any default shall not constitute a waiver of any right or of any subsequent default. Time is of the essence of this Deed of Trust and of each and every provision hereof. Grantor's failure to make payments or perform any other obligations when due shall be a breach of Beneficiary's right to accelerate the entire unpaid balance of the Deed of Trust and to foreclose this Deed of Trust.

21. Upon payment of all indebtedness secured by this Deed of Trust, and upon request by Grantor, but at Grantor's cost and expense, this Deed of Trust and all instruments pertaining to the indebtedness secured by this Deed of Trust or the property covered by this Deed of Trust shall be reconveyed to the person legally entitled thereto. Such person shall pay all costs of reconveyance.

22. Any notice or request required under this Deed of Trust shall be given by registered mail by certified and addressed to Grantor at the property address or at such other address as Grantor may designate by written notice to Beneficiary, and notice to Beneficiary shall be given by certified mail to Beneficiary's address stated herein.

23. Grantor agrees to pay reasonable costs and all costs and expenses, including reasonable fees, incurred by Beneficiary in the prosecuting of proceedings to collect under the terms of this Deed of Trust, or in any suit, proceeding or action to which Beneficiary may be a party, including but not limited to both the trial and appellate level, as well as services rendered and expenses in bankruptcy and other insolvency proceedings. The amount of such fees, costs and expenses shall bear interest at the highest lawful rate until paid in full.

24. The covenants and agreements contained in this Deed of Trust shall inure, and the rights hereunder shall inure to, the respective successors and assigns of Beneficiary and Grantor. All covenants and agreements of Grantor shall be joint and several.

25. This Deed of Trust shall be governed by the laws of the State of Washington and by the rules and regulations issued by federal agencies having jurisdiction over Beneficiary. In the event of a conflict, the rules and regulations issued by federal agencies shall control.

X _____ (Seal) X _____ (Seal)

X _____ (Seal) X _____ (Seal)

STATE OF WASHINGTON
COUNTY OF SNOHOMISH } ss.

On this 5th day of SEPTEMBER, 19 86 before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared RICHARD LLOYD CHELTON JR. and SUSAN JEAN CHELTON to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged 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 hereto affixed the day and year in this certificate above written.

Beverly Moore

Notary Public in and for the State of Washington, residing at Everett, Washington

BEVERLY MOORE
NOTARY PUBLIC
STATE OF WASHINGTON

STATE OF ~~WASHINGTON~~ ARIZONA
County of ~~XXXXXXXXXX~~ MARICOPA } ss.

On this day personally appeared before me RICHARD J. PERKO and KRISTI KAY PERKO,

to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 19 day of AUGUST, 1986

May V. Smith

Notary Public in and for the State of ~~XXXXXXXX~~ ARIZONA, residing at Phoenix, ~~Washington~~ Maricopa County, Arizona

My Commission Expires February 19, 1990

ACKNOWLEDGMENT – INDIVIDUAL
FIRST AMERICAN TITLE COMPANY
WA – 46

Dated _____, 19 ____

Mail reconveyance to: _____