



Grantor's Acknowledgment and Consent to the Beneficiary's Obligations

1. The property subject to the trust shall be held by the trustee for the benefit of the Beneficiary.
2. Grantor is hereby bound in the event of the property becoming subject to any mortgage, lien or other encumbrance, to pay the same out of the proceeds of the property, and to execute any instrument necessary to carry out the terms of this Deed of Trust.
3. Grantor agrees to pay all taxes and assessments levied on the property, and to execute any instrument necessary to carry out the terms of this Deed of Trust.
4. Grantor agrees to take the property free from any other liens or encumbrances, and to execute any instrument necessary to carry out the terms of this Deed of Trust.
5. Grantor agrees to indemnify the Beneficiary against the payment and interest on the indebtedness secured by this Deed of Trust.
6. Grantor agrees to pay all taxes and assessments levied on the property, and to execute any instrument necessary to carry out the terms of this Deed of Trust.
7. Grantor agrees to pay all taxes and assessments levied on the property, and to execute any instrument necessary to carry out the terms of this Deed of Trust.
8. Grantor shall maintain insurance on the property, together with any improvements thereon, insuring against any loss by fire, theft, or any other cause, and shall pay the cost of such insurance. The insurance shall be in such amount and for such period of time as Beneficiary may designate. All such insurance shall have a loss 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 suit or claim for damage, direct or consequential, in connection with any condemnation or other taking of the property, in part or in whole, or for any reason in lieu of condemnation, 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 caveat, 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, renounces or modifies the terms of any indebtedness secured by this Deed of Trust or if Beneficiary releases any other security securing such indebtedness, and if all such extensions, renoucements, modifications or releases shall not operate to release, discharge or diminish the liability of Grantor for an 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 breach of the trust created by the provisions of this Deed of Trust. In the event Beneficiary does so, Beneficiary may, at its option, require the transferee to execute any instrument necessary to carry out the terms of this Deed of Trust.

WITNESSED AND SIGNED this 1st day of January, 1954, at the City and County of Los Angeles, California.

Beneficiary, of the interest in the property secured by this Deed of Trust to a rate not exceeding the greater of (1) 12% or the prime rate plus one percent then in effect in the State of Washington, and (2) the rate then in effect in the State of Washington for the same or similar loans. If the interest rate is increased pursuant to this paragraph, the interest on the indebtedness secured by this Deed of Trust 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 other interest in a contract for the sale of real property, then Grantor hereby specifically covenants and agrees that, upon default, Grantor's interest in the property may be foreclosed by Beneficiary, at its sole option: (a) non-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 lease rent 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 covenants of Grantor under this Deed of Trust: (a) Default of the payment or performance, when due or payable, of any indebtedness secured by this Deed of Trust; (b) Breach by Grantor of any representation, warranty or security contained in this Deed of Trust or any other agreement, instrument or document delivered by Grantor to Beneficiary; (c) The making by Grantor of any material misstatements to Beneficiary for the purpose of obtaining credit or the extension of credit; (d) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (e) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (f) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (g) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (h) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (i) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (j) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (k) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (l) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (m) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (n) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (o) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (p) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (q) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (r) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (s) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (t) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (u) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (v) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (w) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (x) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (y) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary; (z) The incurring of any debt by Grantor which is not disclosed in the financial statements of Grantor or any other financial statement delivered to Beneficiary.

17. Upon the happening of any of the above events of default, Beneficiary may, at its option, exercise any or all of the following powers: (a) To declare the indebtedness secured by this Deed of Trust to be immediately due and payable; (b) To require Grantor to pay the indebtedness secured by this Deed of Trust; (c) To require Grantor to execute and deliver such financing statements as Beneficiary may require to perfect its security interest under the Uniform Commercial Code; (d) To foreclose on the indebtedness secured by this Deed of Trust; (e) To exercise any other powers provided for in this 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 or remedies.

19. Grantor hereby covenants and agrees that, upon default, Grantor's interest in the property secured by this Deed of Trust may be foreclosed by Beneficiary, at its sole option: (a) non-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.

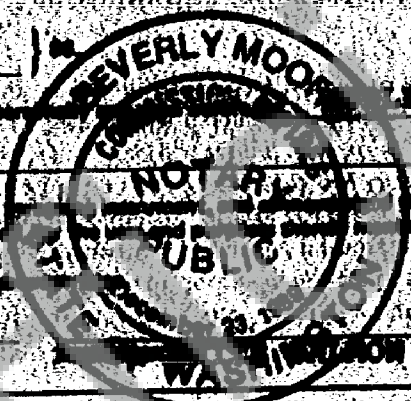
20. This Deed of Trust shall not be subject to any lien, charge, mortgage, or other encumbrance, and shall be a first lien in favor of Beneficiary on the property secured by this Deed of Trust.

21. Upon payment of the indebtedness secured by this Deed of Trust, the property secured by this Deed of Trust shall be reconveyed to Grantor, and the Deed of Trust shall be terminated. If the property secured by this Deed of Trust is not reconveyed to Grantor, then the Deed of Trust shall remain in full force and effect until the property is reconveyed to Grantor.

- 22. Any action or defense against this Deed of Trust shall be given by making such action by Plaintiff and Defendant to Grantor of the property subject of a such other action as Grantor may designate by written notice to Beneficiary, any action of Beneficiary shall be given as directed herein to Grantor's address stated herein.
- 23. Grantor hereby irrevocably and exclusively assigns to Beneficiary all of the right, title and interest in and to the property described in this Deed of Trust, together with all other rights and interests in and to the property described in this Deed of Trust, including but not limited to the right to sell, lease, convey, mortgage, encumber, or otherwise dispose of the property, and the right to execute any instrument necessary to carry out the purposes of this Deed of Trust. The grant of such title, estate and interests shall have effect as if the property described in this Deed of Trust were sold to Beneficiary.
- 24. The covenants and agreements contained in this Deed of Trust shall bind, and the duties hereunder shall run 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 Reserve Board, Department of Treasury, in the event of a conflict, the rules and regulations issued by Federal Reserve Board shall control.

*[Handwritten signatures]* \_\_\_\_\_ (and) \_\_\_\_\_ (and)  
 \_\_\_\_\_ (and) \_\_\_\_\_ (and)

STATE OF WASHINGTON  
 COUNTY OF SPOKANE  
 On the 19th day of SEPTEMBER, 1986  
 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 hereon this day and year first above written.  
*Beverly Moore*  
 Notary Public in and for the State of Washington



BEVERLY MOORE  
 NOTARY PUBLIC  
 SPOKANE, WASHINGTON

STATE OF WASHINGTON }  
 ARIZONA } ss.  
 County of MARICOPA

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. [Signature]*  
 Notary Public in and for the State of ARIZONA  
 residing at \_\_\_\_\_  
 Maricopa County, Arizona  
 My Commission Expires February 19, 1998

ACKNOWLEDGMENT - INDIVIDUAL  
 FIRST AMERICAN TITLE COMPANY  
 WA - 40

Date: \_\_\_\_\_, 19\_\_\_\_  
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