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FARMERS HOME ADMINISTRATION
1011 E. MAIN STREET
SUITE 306
PUYALLUP, WA 98372

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T-68512 LAND TITLE COMPANY OF SNOHOMISH COUNTY
USDA-FmHA

SPACIAL AGENT LINE FOR RELEASER'S USE

REAL ESTATE DEED OF TRUST FOR WASHINGTON
(Multi Family Housing)

This Deed of Trust is made and entered into by and between the persons named
below, as follows:

On , 1992, in _____ County, Wash., acting as grantor(s), hereinafter called "Borrower," and the Farmers Home Administration, United States Department of Agriculture, acting through the State Director of the Farmers Home Administration for the state of Wash., 1992, at the first office of business of Royal Old Federal City Building, 1011 Main Street, P.O. Box 2427, Renton, Wash., acting herein as trustee, hereinafter called "Trustee," and the United States of America, acting through the Farmers Home Administration, United States Department of Agriculture, as debtor(s) in law, hereinafter called the "Government," and
Whence Borrower is indebted to the Government as is detailed in the or more promissory, trust(s) or assumption agreement(s),
hereinafter called "Note," which has been executed by Borrower, is payable to the order of the Government, authorizes acceleration of
the debt in the event of nonpayment of the Government upon any default by Borrower, and is described as follows:

Date of Instrument	Principle Amount	Annual Rate of Interest	Due Date of Final Installment
Sept. 2, 1992	\$717,000.00	6.0%	Sept. 2, 2022

The Note evidences a loan to Borrower, and the Borrower, and the Government, at any time, may assign the Note and insure the payment thereof pursuant to Title I of the Housing Act of 1949, or any other statutes administered by the Farmers Home Administration.

It is the purpose and intent of this instrument that, among other things, at all times when the Note is held by the Government, or in the event the Government should assign this instrument without insurance of the Note, this instrument shall secure payment of the Note; but when the Note is held by an insured by Govt., this instrument shall not secure payment of the Note or attach to the debt evidenced thereby, but as to the Note and such debt shall constitute an independent deed of trust to secure the Government against loss under its insurance contract by reason of any default by Borrower.

And this instrument also secures the execution of an interest-free credit of subsidy which may be granted the Borrower by the Government pursuant to 42 U.S.C. § 1490d.

Now, THEREFORE, in consideration of the loans, Borrower conveys and warrants to Trustee the following described property situated in the State of Washington, County(s) of _____, which said described real property is not used principally for agricultural or farming purposes:

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ENCL 11140322

, Long Description

That portion of the Southeast 1/4 of the Southwest 1/4 of Section 11, Township 14 North, Range 4 East, N.M., described as follows:

Beginning at the Southwest corner of Lot 14, "S.E. 1/4 N.W. 1/4 N.E. 1/4 S.W. 1/4 E. 1/4 N.W. 1/4" ACRES, as per plat recorded in volume 10 of Plat, page 42, records of Skagit County, Washington; the line thence running North the East line of 12th Street 125 feet to the true point of beginning of this description; thence Northwesterly 174 feet to the Southwestern corner of North Viewpoint Drive (as shown on said Plat) which corner lies 60 feet southeasterly from the Southwest corner of said lot; thence measured along the Southwestern side of said North Viewpoint Drive;

thence Northeast by a line along said Southwestern side a distance of 100 feet, more or less, to the Northwest corner of Lot 14, "S.E. 1/4 N.W. 1/4 N.E. 1/4 S.W. 1/4" ACRES, as per plat recorded in volume 10 of Plat, page 42, records of Skagit County, Washington;

thence South along the West line of said Lot 14 and along the West side of Lot 14 of said Plat to the North line of 1st Street;

thence West along the North line of 1st Street to the East line of 12th Street;

thence North along the East line of 12th Street, a distance of 100 feet, more or less, to a point 174 feet South of the Southwest corner of Lot 14, "S.E. 1/4 N.W. 1/4 N.E. 1/4 S.W. 1/4" ACRES, as per plat recorded in volume 10 of Plat, page 42, records of Skagit County, Washington;

thence East parallel to the South line of said Lot 14, a distance of 87.50 feet;

thence North to the true point of beginning.

Situate in the County of Skagit, State of Washington.

Borrower will at all times, including the rights to mining products, staves, oil, gas, coal or other mineral interests, easements, tenanted and appurtenances thereto belonging, the rents, issues, and profits thereon and reverses and income therefrom, subject to the right of the Government to collect and apply the same as provided in Covenant (24) hereof, all improvements and personal property now or later attached thereto or reasonably necessary, to the use thereof, including, but not limited to ranges, refrigerators, clothes washers, clothes dryers, or carpeting purchased or financed in whole or in part with loan funds, all water, water rights and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, conveyance, or condemnation of any part thereof or interest therein, all of which are herein called "the property".

"TO HAVE AND TO HOLD the property unto Trustee, Trustee's successors, grantees and assigns forever;

IN TRUST, NEVERTHELESS, in at least three cases when the note is held by the Government, or in the event the Government should disclaim instrument without insurance of the payment of the note, to secure prompt payment of the note and any renewals and extensions thereto and any agreements contained therein, including an provision for the payment of an insurance or other charge, (a) at all times when the note is held by an insured holder, to secure performance of Borrower's agreement herein to indemnify the Government against the Government against loss under its insurance endorsement by reason of any default by Borrower, and (b) in five years and at least three times to secure the prompt payment of all advances and expenditures made by the Government in the interest, as herein further described, and the performance of every covenant and agreement of Borrower contained herein or in supplementary agreements, the provisions of which are hereby incorporated herein and made a part hereof.

Borrower for Borrower's heirs, executors, administrators, successors and assigns WARRANTS the property and the title thereto unto Trustee for the benefit of the Government against all claims and demands whatsoever except any liens, encumbrances, easements, reservations, or conveyances specified hereinabove, and COVENANTS AND AGREES as follows:

(1) To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save harmless the Government against any loss under its insurance of policy held the note by reason of any default by Borrower. At all times when the note is held by an insured holder, Borrower shall continue to make payments of the note to the government, as collection agent for the holder. The covenant of the partners to pay principal and interest is included in the note secured hereby for the purpose of establishing and continuing the existence of the indebtedness. However, it is a condition of said covenant and those contained herein that in the event of default under the terms hereof, the holder shall take no action against the partners personally except such as may be necessary to subject to the satisfaction of the indebtedness the property described herein and any chattels appertaining to the use thereof, PROVIDED, that nothing in this condition and no action so taken shall operate to impair any obligation of the partners under the Loan Agreement entered into between the partners and the Government.

(2) To pay the Government such fees and other charges as may now or hereafter be required by regulations of the Farmers Home Administration.

(3) If required by the Government to make additional monthly payments of 1/12 of the estimated annual taxes, assessments, insurance premiums and other charges upon the mortgaged premises.

(4) Whether or not the note is insured by the Government, the Government may at any time pay any other amounts required herein to be paid by Borrower and not paid by Borrower when due as well as any costs and expenses for the preservation, protection, or enforcement of this lien, as advances for the account of Borrower. All such advances shall bear interest at the rate borne by the note which has the highest interest rate.

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1. All advances by the Government shall bear interest at the rate of six percent, and shall be due and payable by the Borrower to the Government without demand at the time or times granted in the instrument, and shall be secured hereby. At such time or times the sum or sums so advanced, or any part thereof, shall remain due and payable to the Government, and such advances, with interest, shall be liable to the Government to the same extent as any other debt or obligation of the Borrower, and the same may be applied on the same or on indebtedness to the Government, and, respectively, to any other debt or obligation of the Government, without regard.

2. The value of the land so leased by the Government shall be assessed by the Government, and the Government may require the payment of taxes, rents, tolls, assessments, impositions, fees, or charges to be assessed against the land, or any part of it, and the same may be deducted from the amount of the water, water rights, and water stock pertaining to or belonging to the land, to the use of the lessee, or to the Government, respectively, and paid to the Government without regard to the time of making such payments.

3. All taxes, imposts, charges, fees, expenses, costs, or charges incurred by the Government in connection with the acquisition of the property, or in connection therewith, shall be paid by the Government, and no claim for the same shall be made by the lessee, or by any other person, except as may be necessary for ordinary expenses of cultivation.

4. The lessee shall pay taxes, rents, and charges, and regulate his property, in the present.

5. It is agreed in this instrument that the Government may exercise its power to the protection of the land and property thereto and to the enforcement of the note, with the power to sue, and of the note and any supplementary agreement, whether before or after default, including but not limited to costs of evidence of title to and survey of the property, costs of recording this and other instruments, attorney's fees, trustee's fees, court costs, and expenses of execution, and for conveying the property.

6. Except as otherwise provided by the Farmers Home Administration regulations, if less than the property or any portion thereof in interest therein shall be leased, assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Government, the Government shall have the like and exclusive rights, as hereinunder, including but not limited to the power to grant consent, joint or releases, assignments, and satisfaction, and no insured holder shall have any right to a prior interest in or to the land in any manner to detract.

7. It is understood between the Government and its agents that, except the property to ascertain whether the covenants and agreements herein contained in any supplemental agreement are being performed.

8. The Government may, at any time or times, the nature of it, and when and where it deems expedient, reschedule the payments on, the debt evidenced by the note or any indebtedness to the Government incurred by this instrument, or to ease any party who is liable under the note or to the debt from, so far as the Government, or release portions of the property and subordinate its lien, and to waive its other rights against the instrument, and all this can and will be done without affecting the lien of the priorit, of this instrument or between it and any other party, so far as to the government for payment of the note or debt secured by this instrument, unless the government says otherwise in writing. However, any forbearance by the Government whether once or often, or for a long or short time, under this instrument, if otherwise afforded by applicable law, shall not be a waiver of or release of the exercise of any such right or remedy.

9. When a nonresident shall become delinquent under any real estate, or under any personal property or other secured instrument held by, or executed or assued by, the Government, and default under any such other instrument shall constitute default hereunder,

10. If "Legal Defect" occurs in the performance or discharge of any obligation in this instrument or secured by this instrument, it should be the party so named as borrower, and it be declared, notwithstanding it should any one of the parties named as borrower be discharged, bankrupted, or decared insolvent, or make an assignment for the benefit of creditors, the Government, its successors, or or in a short notice, may, at the time the entire amount unpaid under the note and any indebtedness to the Government herein, secured, made duly and payable, or for the account of borrower, incur and pay reasonable expenses for repair or maintenance of, and take possesson of, the property, and upon application by, and production of this instrument, without other evidence and without notice or hearing at said application, have a receiver appointed for the property, with the usual powers of receiver, and, if authorized and requested, trustee to foreclose this instrument and sell the property as provided by law.

11. At the request of the Government, trustee may foreclose this instrument by advertisement and sale of the property as provided by law, for cash or secured credit at the option of the Government, and it such sale the Government and its agents may bid and purchase as a stranger; trustee at trustee's cost or fee, conduct such sale in trust being personally present, through trustee's delegate authorized by trustee for such purpose that, in advertising and trustee's execution of a conveyance of the property or any part thereof to any purchaser at foreclosure sale shall be conclusive evidence that the sale was conducted by trustee personally or through trustee's delegate duly authorized in accordance therewith.

(10) The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) costs and expenses of suit or proceeding or complying with the provisions hereof; (b) the debt evidenced by the note and all indebtedness to the Government secured hereby; and (c) any surplus, less the Clerk's title fee, deposited with the Clerk of the Superior Court of the County where the sale took place. In case the Government is the successful bidder at foreclosure or other sale of all or any part of the property, the Government may pay its share of the purchase price by crediting such amount on any debts of Borrower owing to or incurred by the Government, in the order prescribed above.

(11) All powers and agreements granted in this instrument are coupled with an interest and are irrevocable by death or marriage and the rights and notes as provided in this instrument are cumulative to remedies provided by law.

(12) Borrower agrees that the Government will not be bound by any present or future State laws, (a) providing for valuation, appraisal, assessment or excepting all or the property, (b) shortening maintenance of an act or for a deficiency judgment in excess of the amount due on the date upon which such act or may be brought, (c) prescribing any other statute of limitations, (d) allowing any right of redemption or possession following an foreclosure sale, or (e) limiting the conditions upon the Government may by regulation choose, including the interest rate it may charge, as a condition of approving a transfer of the property to a new Borrower. Borrower expressly waives the benefit of any such State law. Borrower hereby relinquishes, waives, and conveys all rights, inheritance or consummation, if descent, common and courtesy.

(13) If any part of the loan for which this instrument is given shall be used to finance the purchase, construction or repair of property to be used as an owner-occupied dwelling (hereinafter called "the dwelling") and if Borrower intends to sell or rent the dwelling and has obtained the Government's consent to do so (a) he then Borrower nor anyone authorized to act for Borrower will, after receipt of a bona fide offer, refuse to negotiate for the sale or rental of the dwelling or will otherwise make unavailable or deny the dwelling to anyone because of race, color, religion, sex or national origin, and (b) Borrower recognizes as illegal and hereby disclaims, and will not comply with or attempt to enforce any restrictive covenants on the dwelling relating to race, color, religion, sex or national origin.

(14) This instrument shall be subject to the present regulations of the Farmers Home Administration, and to its future regulations not inconsistent with the express provision hereof.

(15) Borrower hereby assigns to and conveys upon the government the power to collect the rents, issues, profits, and income of the property, reserving to Borrower the right to collect and retain same prior to any default hereunder. The Government may apply said rents and other income on the loan or any indebtedness secured hereby in any order it may determine and without regard to the adequacy of security for same.

(16) Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and until some other address is designated in a notice so given, in the case of the Government to Farmers Home Administration, United States Department of Agriculture, Room 315 Federal Office Building, 301 Yakima Street, P.O. Box 2427, Wenatchee, Washington 98801, and in the case of Borrower to Borrower at the address shown in the Farmers Home Administration Finance Office records (which normally will be the same as the post office address shown above).

(17) Upon full and final payment of all indebtedness hereby secured and the performance and discharge of each and every condition, agreement and obligation, contingent or otherwise, contained herein or secured hereby, but not sooner than the due date of the final installment as stated herein, the Government shall request trustee to execute and deliver to Borrower at Borrower's above post office address a deed of reconveyance of the property within 60 days after written demand by Borrower, and Borrower hereby waives the benefits of all laws requiring earlier execution or delivery of such deed of reconveyance.

(18) If any provision of this instrument or application thereof to any person or circumstances is held invalid, such invalidity will not affect other provisions or applications of the instrument which can be given effect without the invalid provision or application, and to that end the provisions hereof are declared to be severable.

(19) The property described herein was obtained or improved through Federal financial assistance. This property is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the Rehabilitation Act of 1973 and the regulations issued pursuant thereto for as long as the property continues to be used for the same or similar purpose for which financial assistance was extended or for as long as the purchaser owns it, whichever is longer.

(20) This instrument also secures the obligations and covenants of Borrower set forth in Borrower's Loan Agreement of June 26, 1992, as amended, which is hereby incorporated herein by reference.

(21) The Borrower and any successors in interest agree to use the housing for the purpose of housing people eligible for occupancy as provided in Section 515 of Title V of the Housing Act of 1949 and FmHA Regulations then extant during the full term of this Deed of Trust. No eligible person occupying the housing will be required to vacate nor any eligible person denied occupancy for housing prior to the close of such period because of a prohibited change in the use of the housing. A tenant may seek enforcement of this provision as well as the Government.

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RECEIVED - USE PROHIBITED EXCEPT IN ACCORDANCE WITH AGREEMENT

THE TENANT AND ANY SUCCESSORS IN INTEREST AGREE
TO LEAVE THE PREMISES FOR THE PURPOSE OF FLOODING, DUE AND NECESSARY DURING THE PERIOD OF FEDERAL OCCUPANCY AS PROVIDED IN FEMA
REGULATIONS FOR FLOOD PLAIN ZONING, OR A 20 YEAR FLOOD PLANE, ON OR AFTER Sept. 2, 1992. - TENANT HAS BEEN INFORMED OF THE
FACT THAT AS WEBSITE THE GOVERNMENT. NO PERSON OCCUPYING OR FAILING TO LEAVE THE PREMISES SHALL BE REQUIRED TO VACATE OR BE
DEPRIVED OF OCCUPANCY OR IN THE CASE OF FLOOD PLANE, PAY FOR OVERSTAY OR OVERPAYMENT.

RECEIVED - USE PROHIBITED EXCEPT IN ACCORDANCE WITH AGREEMENT
Dated: 2 day of Sept. 92

STATE OF WASHINGTON)
) s.s.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that DAVID A'LEGRE, President
of Dujardin Development is the person(s) who appeared before me, and
said person(s) acknowledged that he/HE/WE signed this instrument, on oath stated
that HE IS authorized to execute the instrument and acknowledged it as
the GENERAL PARTNER OF DUJARDIN LIMITED PARTNERSHIP
to be the free and voluntary act of such party for the uses and purposes mentioned
in this instrument.

Dated: 9-2-92

Diane Fratantoni
Notary Public in and for the State of
Washington, residing at: Everett
My appointment expires: 11-8-93

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