

13-

SKAGIT COUNTY KATHY HILL

'99 JAN 28 P3:28

9901280111

Name: Housing Assistance Council

Address: 1025 Vermont avenue N.W., Suite 606

City and State: Washington, D.C. 20005

Tax Account Number: 340409-4-003-0006

Escrow #: 55326

Abbreviated Legal: Section 9, Township 34, Range 4; Ptn. SW-SE

FIRST AMERICAN TITLE CO.
55326E

**Third
DEED OF TRUST**
(For Use in the State of Washington Only)

ORIGINAL

THIS DEED OF TRUST, made this 7th day of January, 1999, between Self-Help Housing, a Washington Non-Profit Corporation, GRANTOR, whose address is 405 Hoag Road, Mount Vernon, WA 98273, First American Title Insurance Company, a California Corporation TRUSTEE, whose address is P.O. Box 1667, Mt. Vernon, WA 98273 and Housing Assistance Council, BENEFICIARY, whose address is 1025 Vermont Avenue, NW, Suite 606, Washington, DC, 20005, WITNESSETH: Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property in Skagit County, Washington:

(FOR LEGAL DESCRIPTION, SEE EXHIBIT 'A', ATTACHED HERETO, AND BY THIS REFERENCE MADE A PART HEREOF).

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This Deed of Trust shall secure any and all renewals or extensions of the whole or any part of the indebtedness hereby secured, however evidenced, with interest at such lawful rate as may be agreed upon and any such renewals or extensions or any change in their terms or rate of interest shall not impair in any manner the validity of or priority of this Deed of Trust, nor release the Trustor from personal liability for the indebtedness hereby secured.

This Deed of Trust is given to secure a loan of \$303,030.00 and interest accruing thereon, according to the terms of the Promissory Note this day executed and subsequently to be executed by the Trustor to the Trustee; and all other sums which may hereinafter be owing by the trustor to the Beneficiary, however evidenced. It is understood and agreed that the Beneficiary may from time to time make loans and advances to the Trustor and that all such loans and advances and the interest accrued thereon will be secured by this Deed of Trust.

The loan secured by this Deed of Trust is governed by a Loan Agreement and evidenced by a Promissory Note which are herewith, by reference, made a part of this document.

9901280111

LPB-22
Page 1 of 4

BK 1935 PG 0374

This deed is for the purpose of securing performance of each agreement of grantor herein contained, and payment of the sum of **THREE HUNDRED THREE THOUSAND THIRTY AND NO/100THS Dollars (\$303,030.00)** with interest, in accordance with the terms of a promissory note 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; 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 the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
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 attorney's 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 the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Beneficiary may 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 in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. 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 as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
2. 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. The 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 the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
4. 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 the 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 of Washington, 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 the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he 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 purchaser and encumbrancers for value.

6. The power of sale conferred by this Deed of Trust and by the deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

7. 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 a party unless such action or proceeding is brought by the Trustee.

8. 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 and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

SELF-HELP HOUSING

By: Nancy R. Clark
Nancy Clark, President

By: Carolyn R. Thorene
Carolyn Thorene, Vice-President

State of Washington

}
} ss.
}

County of Skagit

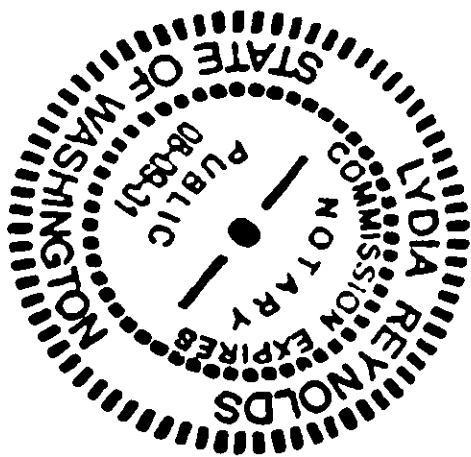
On this 15th day of January, 1999, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Nancy Clark and Carolyn Thorene to me known to be the President and Vice-President respectively of SELP-HELP HOUSING, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that (he/she/they) (is/are) authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year first above written.

Lydia Reynolds

Lydia Reynolds
Notary Public in and for the State of Washington,
residing at Mt. Vernon.

My appointment expires: August 9, 2001.



REQUEST FOR FULL RECONVEYANCE
Do Not Record. To be used only when note has been paid.

TO: TRUSTEE.

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated this _____ day of _____, 19____.

9901280111

LPB-22
Page 4 of 4

BK | 935 PG0377

Exhibit "A"

THE LEGAL DESCRIPTION HAS BEEN AMENDED TO READ AS FOLLOWS:

That portion of the Southwest 1/4 of the Southeast 1/4 of Section 9, Township 34 North, Range 4 East, W.M. described as follows:

Beginning at the Southwest corner of said subdivision (South 1/4 corner); thence North 0 degrees 47'05" West 555.00 feet along the West line of said subdivision, also being the centerline of North 30th Street; thence North 89 degrees 12'55" East 30.00 feet a point on a curve; thence Southeasterly along the arc of said curve concave to the Northeast, having an initial tangent bearing of South 0 degrees 47'05" East, a radius of 25.00 feet, through a central angle of 90 degrees 00'00", an arc distance of 39.27 feet; thence North 0 degrees 47'05" West 64.35 feet to a point of curvature; thence along the arc of said curve to the right having a radius of 300.00 feet, through a central angle of 66 degrees 37'03", an arc distance of 348.81 feet to a point of tangency; thence North 65 degrees 49'58" East 315.82 feet; thence South 24 degrees 10'02" East 80.00 feet; thence South 25 degrees 51'25" East 40.02 feet; thence South 6 degrees 05'19" East 98.00 feet; thence North 83 degrees 52'22" East 49.41 feet to a point on a curve; thence Northerly along the arc of said curve, concave to the East, having an initial tangent bearing of North 7 degrees 13'49" East, a radius of 420.00, through a central angle of 1 degree 41'13", an arc distance of 12.37 feet; thence South 81 degrees 04'58" East, radial to the center of the aforementioned curve 40.00 feet, to a point on a curve; thence Southerly along the arc of said curve concave to the East, having an initial tangent bearing of South 8 degrees 55'02" West, a radius of 380.00, through a central angle of 14 degrees 36'47", an arc distance of 96.92 feet to a point of compound curvature; thence along the arc of said curve to the left, having a radius of 184.00 feet, through a central angle of 41 degrees 17'12", an arc distance of 132.59 feet to a point of compound curvature; thence along the arc of said curve to the left, having a radius 26.80 feet; through a central angle of 72 degrees 02'06", an arc distance of 33.69 feet to a point of compound curvature; thence along the arc of said curve to the left, having a radius of 184.00 feet, through a central angle of 12 degrees 07'02", and arc distance of 38.91 feet; thence South 43 degrees 48'51" East 47.36 feet to a point on a curve; thence along the arc of said curve concave to the Southeast, having an initial tangent bearing of South 36 degrees 55'12" West, a radius of 184.00 feet, through a central angle of 13 degrees 38'06", an arc distance of 43.79 feet to a point of compound curvature; thence along the arc of said curve to the left, having a radius of 26.80 feet; through a central angle of 45 degrees 21'26", an arc distance of 21.22 feet to a point of compound curvature; thence along the arc of said curve to the left, having a radius of 184.00 feet; through a central angle of 21 degrees 44'31", an arc distance of 69.82 feet; thence North 42 degrees 13'49"

9901280111

--CONTINUED--

BK 1935 PG 0378

Exhibit "A" continued

East 58.14 feet; thence South 43 degrees 48'51" East 92.42 feet to a point on a curve; thence Easterly along the arc of said curve concave to the Southeast, having an initial tangent bearing North 53 degrees 19'52" East, a radius of 320.00 feet, through a central angle of 7 degrees 28'25", an arc distance of 41.74 feet; thence South 29 degrees 11'43" East 40.00 feet radial to the center of the aforementioned curve; thence North 60 degrees 48'17" East 40.00 feet; thence South 29 degrees 11'43" East 74.00 feet; thence South 89 degrees 54'20" East 151.40 feet, more or less, parallel with the South line of said subdivision to the West line of the East 99.00 feet of said subdivision; thence South 0 degrees 42'00" East 382.56 feet along said West line to the South line of said subdivision; thence North 89 degrees 54'20" West 1214.12 feet along said South line to the point of beginning.

EXCEPT road along the South and West lines thereof;

AND EXCEPT mineral rights as reserved in Deed recorded December 10, 1926, in Volume 142 of Deeds, page 146.

(Also known as Phase 1 of that to be recorded/approved PLAT OF ROSEWOOD P.U.D. PHASE 1)

9901280111

BK 1935 PG 0379