



200507110162

Skagit County Auditor

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**When Recorded Return To:**

The Washington State Department of Community,  
Trade and Economic Development  
Housing Trust Fund - **HOME Program**  
906 Columbia Street Southwest  
Post Office Box 42525  
Olympia, Washington 98504-2525

Attention: Lori Wada, (360) 725-2998

LAND TITLE OF SKAGIT COUNTY 117221-P

**DEED OF TRUST**

Grantor (Borrower): Ridgeview Mount Vernon Limited Partnership

Beneficiary (Lender): Department of Community, Trade, and Economic Development

Grantee (Trustee): Land Title Company of Skagit County

Legal Description (abbreviated): Lots 97-104, Parker Business Center

Assessor's Tax Parcel ID#: 4367-000-097-0003; 4367-000-098-0002; 4367-000-099-0001; 4367-000-100-0008; 4367-000-101-0007; 4367-000-102-0006; 4367-000-103-0005; 4367-000-104-0004; 4367-000-117-0801

Contract Number: 05-40404-118

THIS DEED OF TRUST is made this 1<sup>st</sup> day of June, 2005, between Ridgeview Mount Vernon Limited Partnership, a Washington limited partnership, whose mailing address is 12239 NE 138th, Kirkland, WA 98034 as Grantor ("Grantor"); Land Title Company of Skagit County, whose mailing address is 111 E. George Hopper Rd PO 445, Burlington, WA 98233 as Trustee ("Trustee"); and the Washington State Department of Community, Trade, and Economic Development, or its successor agency, as Beneficiary ("Beneficiary"), whose address is 906 Columbia Street, S.W., P.O. Box 42525, Olympia, Washington 98504-2525.

1. Grant. Grantor hereby bargains, sells and conveys to Trustee in Trust for the benefit of Beneficiary, with power of sale the real property located in Skagit County, Washington described as:

**Lots 97 through 104, inclusive, "PARKER BUSINESS CENTER," as per plat recorded in Volume 11 of Plats, pages 91 through 96, inclusive, records of Skagit County, Washington.**

**TOGETHER WITH those portions of the private roads in said Plat (up to the centerline thereof) abutting upon said tracts.**

**Situate in the City of Mount Vernon, County of Skagit, State of Washington.**

Complete legal attached

according to the plat thereof, recorded in Skagit County, Washington, (the "Property") together with all tenements, privileges, reversions, remainders, irrigation and water rights and stock, oil and gas rights, royalties, minerals and mineral rights, hereditaments and appurtenances belonging or in any way pertaining to the Property, and the rents issues and profits thereof. Said Property is not used principally, or at all, for agricultural or farming purposes.

2. Obligations Secured. This Deed of Trust is given for the purpose of securing the following:

- (a) Payment in the amount of Seven Hundred Thirty-Nine Thousand Eight Hundred Fifty Dollars (\$739,850.00) with interest thereon according to the terms of a Promissory Note (the "Note") of even date herewith, payable by the Shelter America Group to the Beneficiary, which has been assigned to and assumed by Grantor, including all renewals, modifications and extensions thereof,
- (b) Payment of any further sums advanced or loaned by Beneficiary to Grantor, or any of its successors or assigns with interest as agreed, and
- (c) Performance of each agreement, term and condition set forth in this Deed of Trust and in the HOME Program Contract Number 05-40404-118 between Shelter America Group and Beneficiary, their successors or assigns, as now or hereafter amended (the "Contract"), which has been assigned to and assumed by Grantor pursuant to an Assignment, Assumption and Consent Agreement of even date herewith.

3. Lien Priority. This Deed of Trust shall be in a subordinate lien priority position against the Property.

4. Protection of Security. To protect the security of this Deed of Trust, Grantor covenants and agrees:

4.1. To keep the Property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, conditions and restrictions affecting the Property.

4.2. 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.

4.3. To keep all buildings now or hereafter on the Property continuously insured against loss by fire or other hazards in an amount not less than the replacement cost of the Property. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine, subject to the rights of any senior lien-holder. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, and subject to the rights of the Beneficiary or beneficiaries of any senior deed of trust, all rights of Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4.4. 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 proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

4.5. 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.



4.6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Property, Beneficiary may pay the same, and the amount so paid shall be added to and become a part of the debt secured by this Deed of Trust.

5. General Conditions. The parties hereto agree that:

5.1. 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 this obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation, subject to the rights of any senior lien-holder.

5.2. 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.

5.3. 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 obligations secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

5.4. Power of Sale. Pursuant to Chapter 61.24 of the Revised Codes of Washington and upon default by Grantor without timely cure and after written notice of thirty (30) days 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. In such event and upon written notice of Beneficiary, the Property shall be sold, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person may bid at the Trustee's sale. Subject to the rights of the beneficiary or beneficiaries of any senior deed of trust, the proceeds of the sale shall be applied 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 person or persons entitled thereto.

5.5. A 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 the execution of this Deed of Trust, and such as Grantor 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 a bona fide purchaser for value.

5.6. 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.

5.7. Beneficiary may at any time appoint or discharge the Trustee.

5.8. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto and their successors and assigns. The terms "Grantor," "Trustee," and "Beneficiary" include their successors and assigns.

6. Acceleration. Except as otherwise provided for in the Contract, if without Beneficiary's prior written consent, all or any part of the Property or any interest in it is sold, conveyed, transferred, encumbered, or the Property is not used as required by the Low Income Housing Covenant Agreement between Beneficiary and Grantor, executed in conjunction with this Deed of Trust, 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 federal law as of the date of this Deed of Trust. If Beneficiary exercises this option, Beneficiary shall give Grantor notice of acceleration. The notice shall provide a period of not less than thirty (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.

WITNESS the hand and seal of the Grantor on the day and year first written above.

**Ridgeview Mount Vernon Limited Partnership, a  
Washington, limited partnership, by Shelter America Group, a  
Washington non-profit corporation, general partner**

By: Patricia L. Hanly  
Print Name: Patricia L. Hanly  
Title: Secretary

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Patricia L. Hanly is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Shelter America Group, a Washington non-profit corporation, to me known to be general partner of Ridgeview Mount Vernon Limited Partnership, a Washington limited partnership, to be the free and voluntary act and deed of such non-profit corporation, on behalf of such limited partnership for the uses and purposes mentioned in the instrument.

Date: 6-1-05  
Notary Public in and for the state of Washington,  
residing at King Co.

My commission expires 12/9/05  
Kathleen C. McCusker  
Print Name

(seal or stamp)

KATHLEEN C. McCUSKER  
STATE OF WASHINGTON  
NOTARY ---- PUBLIC  
COMMISSION EXPIRES 12-09-05



**REQUEST FOR FULL RECONVEYANCE**

**TO BE USED ONLY WHEN ALL OBLIGATIONS HAVE BEEN PAID AND ALL DUTIES PERFORMED UNDER THIS DEED OF TRUST.**

TO: TRUSTEE:

The undersigned Beneficiary is the party entitled to the performance, benefits, duties, and payments under the Housing Trust Fund – HOME Program Contract 05-40404-118 between Grantor and Beneficiary which is secured by this Deed of Trust and other legal documents.

The obligations thus secured have been fully paid, duties performed 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, including Contingent Interest, to cancel evidence of indebtedness secured by said Deed of Trust delivered to you with 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 hereunder.

\_\_\_\_\_

Dated

\_\_\_\_\_

Name

\_\_\_\_\_

Title



DESCRIPTION:

Lots 97 through 104, inclusive, "PARKER BUSINESS CENTER," as per plat recorded in Volume 11 of Plats, pages 91 through 96, inclusive, records of Skagit County, Washington.

TOGETHER WITH those portions of the private roads in said Plat (up to the centerline thereof) abutting upon said tracts.

ALSO TOGETHER WITH an easement for ingress and egress over and across the private roads as shown on said plat as conveyed by instrument under Auditor's File No. 8009170066.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.



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