


After recording please return to:

HomeStart Administrator  
Federal Home Loan Bank of Seattle  
1501 Fourth Avenue, Suite 1900  
Seattle, WA 98101-1693

  
200603080120  
Skagit County Auditor  
3/8/2006 Page 1 of 2 1:56PM

---

## FEDERAL HOME LOAN BANK OF SEATTLE

---

### Deed of Trust and Retention Agreement

Reference Number(s) of related document(s): N/A

Grantor(s): Carol A. Garman, a single woman.

Grantee: Federal Home Loan Bank of Seattle.

Legal Description (abbreviated): Lot 7, "PLAT OF BLACKBERRY MEADOWS", Skagit County, Washington.

Full legal(s) on page one or Exhibit A.

Assessor's Tax Parcel ID Number: 4686-000-007-0000, P110830.

THIS DEED OF TRUST AND RETENTION AGREEMENT ("Agreement") is made this 8th day of March, 2006, between: Carol A. Garman ("Grantor"), whose address is 1405 Blackberry Drive, Mount Vernon, WA 98273; and First American Title Company of Skagit County ("Trustee"), whose address is 1301-B Riverside Drive, Mount Vernon, WA 98273; and the Federal Home Loan Bank of Seattle ("Beneficiary") whose address is 1501 Fourth Avenue, Suite 1900, Seattle, Washington 98101-1693.

**DEED OF TRUST PROVISIONS.** Grantor irrevocably grants, bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property ("Property") in Skagit County, Washington:

Lot 7, "PLAT OF BLACKBERRY MEADOWS", as per plat recorded in Volume 16 of Plats, pages 147 and 148, records of Skagit County, Washington.

This Agreement is for the purpose of securing performance of Grantor's agreements set forth herein. Trustee shall reconvey the Property to the person entitled thereto on written request of Grantor and Beneficiary, or upon satisfaction of Grantor's obligations and written request for reconveyance made by Beneficiary or the person entitled thereto. Upon default by Grantor in the performance of any agreement contained herein and upon written request of Beneficiary, Trustee shall sell the Property 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 Agreement; (3) the surplus, if any, shall be distributed to the persons entitled thereto. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the Property that Grantor had the power to convey. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Agreement, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value. The power of sale conferred by this Agreement and by law is not an exclusive remedy. If necessary Beneficiary may appoint a successor trustee, and upon the recording of such appointment the successor shall be vested with all powers of the original trustee. This Agreement is binding on the parties and their successors.

**Federal Home Loan Bank of Seattle – Affordable Housing Program  
State of Washington**

**RETENTION AGREEMENT.** Beneficiary has issued a \$5,000 HomeStart Program Grant ("Grant") to assist Grantor in purchasing the Property. Federal regulations (12 CFR Part 951) restrict Grantor's ability to sell, lease, or refinance the Property, to ensure the Grant is used only for housing retained as "affordable housing" and as Grantor's primary residence for the five year period commencing on the date of Grantor's purchase, December 8, 2005 ("Retention Period"). Grantor agrees to notify Beneficiary in writing received at least two weeks prior to any sale, lease or refinancing of the Property occurring during the Retention Period. Grantor may notify Beneficiary by either hand-delivery or certified mail, return receipt requested, at the address set forth above, Attention: HomeStart Administrator. If Grantor sells, leases or refinances the Property during the Retention Period, Grantor must repay to Beneficiary all or a portion of the Grant, without interest, in an amount calculated by Beneficiary equal to the Grant amount multiplied by the percentage of the Retention Period remaining as of the closing of such transaction. Grantor shall not be required to repay any portion of the Grant if: (a) Grantor refinances and the Property remains subject to the encumbrance created by this Agreement; or (b) Grantor's interest in the Property is divested via foreclosure of a lien or mortgage senior to this Agreement. Grantor is not required to repay an amount exceeding the net gain realized on a sale of the Property after deduction of sales expenses. Grantor shall not be required to repay any portion of the Grant if the Property is sold to a person eligible to participate in the HomeStart Program, but only if: (a) such person's purchase of the Property is not partially financed with the proceeds of a HomeStart Program Grant; (b) such person assumes the obligations under this Agreement, which assumption shall not be valid or recognized unless Beneficiary gives its PRIOR written approval to such assumption; and (c) the Property continues to be subject to this Agreement.

**GRANTOR(S):**

Carol A. Garman

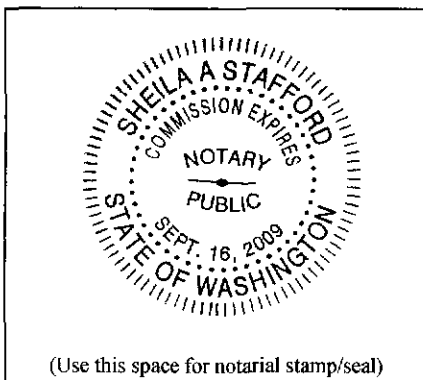
Carol A. Garman

STATE OF WASHINGTON )

COUNTY OF Skagit )

ss.

I certify that I know or have satisfactory evidence that Carol A. Garman is/are the person(s) who appeared before me on this date, and said person(s) acknowledged that she signed this instrument and acknowledged it to be her free and voluntary act for the uses and purposes stated therein.



Date: March 8, 2006

Sheila A. Stafford

Name: Sheila A. Stafford  
NOTARY PUBLIC, State of Washington

Residing at Burlington, Washington

My appointment expires September 16, 2009



200603080120  
Skagit County Auditor