

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

Brian D. Hulse
Heller Ehrman LLP
701 Fifth Avenue, Suite 6100
Seattle, WA 98104-7098
(206) 389-6128



200702280195
Skagit County Auditor

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LAND TITLE OF SKAGIT COUNTY

122021-T
122022-T

THIS SPACE FOR RECORDER'S USE ONLY

**ASSIGNMENT OF LOAN DOCUMENTS
(Absolute Assignment)**

Loan No. 71-2882166

Grantor : WASHINGTON MUTUAL BANK, a federal association

Grantee: WASHINGTON STATE HOUSING FINANCE COMMISSION, a public body corporate and politic and an instrumentality of the State of Washington

Legal Description: Island County: a) Lot 4 Langley Boundary Line Adjustment, portion of Gov. Lot 1, Sec. 3, Township 29 N., Range 3 E., W.M., and b) Lot 3 SP No. 87-4, portion of Sec. 33, Township 32 N., Range 1 E., W.M.

21-34-4 Skagit County: a) Ptn SW ¼, of NW ¼ of ~~21-32-4~~ E., W.M., and b) Lots 2 & 3, Blk 1 Rosedale Garden Trs.

Assessor's Tax Parcel ID Number: Additional Legal(s) on Exhibit A
Island County: R32903-500-4640, and R13233-175-3800
Skagit County: 340421-0-009-0101, 340421-0-010-0009, and 4169-001-003-0004

Reference No. Deed of Trust 200702280 194.

This Assignment of Loan Documents ("Assignment"), dated as of the 28th day of February, 2007, is made by WASHINGTON MUTUAL BANK, a federal association ("Bank"), to and for the benefit of WASHINGTON STATE HOUSING FINANCE

COMMISSION, a public body corporate and politic and an instrumentality of the State of Washington ("Bond Issuer").

Bank is the lender and Island Skagit Partners, LP, a Washington limited partnership ("Borrower") is the borrower under the terms of a Construction and Permanent Loan Agreement (the "Loan Agreement") dated the date of this Assignment. Pursuant to the terms of the Loan Agreement, Bond Issuer made a loan (the "Loan") in the aggregate principal amount of \$3,850,000 to Borrower. The Loan is evidenced by a Promissory Note (the "Note") dated the date of this Assignment, made by Borrower and payable to Bank or order in the principal amount of \$3,850,000.

Borrower has executed and delivered to Bank a Deed of Trust, Security Agreement, Assignment of Leases and Rents and Fixture Filing (the "Deed of Trust") securing the Note and encumbering the real property described in Exhibits A-1 through A-4 attached to this Assignment (the "Property"). The Deed of Trust is recorded as follows: (i) under recording no. XXXXXXXXXXXX in the records of Island County, Washington; and (ii) under recording no. 200702280194 in the records of Skagit County, Washington. The Loan Agreement, the Note and the Deed of Trust are referred to collectively as the "Assigned Documents."

Bond Issuer is purchasing the Loan from Bank using funds obtained by issuing its Multifamily Revenue Bond (Island Skagit Partners Portfolio), Series 2007, in the principal amount of \$3,850,000 (the "Bond").

Bank wishes to assign its right, title and interest in and to the Loan and the Assigned Documents to Bond Issuer on the terms more specifically set forth below, and enters into this Assignment for that purpose.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank agrees as follows:

1. **Assignment.** Bank hereby absolutely assigns to Bond Issuer all of Bank's right, title and interest in and to the Loan and the Assigned Documents.

2. **Representations and Warranties.** Bank represents and warrants to Bond Issuer that: (a) no previous assignment of its rights in the Assigned Documents has been made; (b) the Assigned Documents have not been modified, amended or terminated by Bank; and (c) no payments of principal or interest have been made to Bank under the Note. Except as expressly and specifically set forth in this Section, Bank makes no representations or warranties whatsoever with respect to the assignment provided for herein and such assignment is made without recourse to Bank.



3. **Further Assurances.** Bank will execute and deliver to Bond Issuer such other and further documents, and do such other acts and things, as Bond Issuer may reasonably request in order more fully to carry out the purpose and intent of this Assignment.

4. **Binding Effect.** This Assignment will be binding upon and inure to the benefit of the successors and assigns of Bank and Bond Issuer.

5. **Governing Law.** This Assignment will be governed by and construed in accordance with the laws of the state where the Property is located.

[Remainder of page intentionally left blank]



DATED as of the date first set forth above.

BANK:

WASHINGTON MUTUAL BANK, a federal association

By: Marty Jones
Marty Jones, First Vice President

The undersigned Borrower acknowledges the foregoing Assignment, represents and warrants that, to its knowledge, the representations and warranties set forth therein are true and correct, and agrees not to take any action contrary to the terms of such Assignment.

BORROWER:

ISLAND SKAGIT PARTNERS, LP, a Washington limited partnership

By: Hearthstone Housing Foundation, a California non profit public benefit corporation, its Managing General Partner

By: Socorro Vasquez
Socorro Vasquez, Executive Director

By: Island Skagit Management, LLC, a Washington limited liability company, its Co-General Partner

By: Allied Pacific Development, Inc., a Washington corporation, its Manager

By: David A. Beacham
David A. Beacham, Vice President

(Signature Page for Assignment of Loan Documents--
Absolute Assignment)



200702280195
Skagit County Auditor

STATE OF WASHINGTON

ss.

COUNTY OF KING

I certify that I know or have satisfactory evidence that MARTY JONES is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the First Vice President of WASHINGTON MUTUAL BANK, a federal association, to be the free and voluntary act of such federal association for the uses and purposes mentioned in the instrument.

Dated this 23rd day of February, 2007.

Frances Oldham Murphy
(Signature of Notary)

FRANCES OLDHAM MURPHY

(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington,
residing at Seattle WA

My appointment expires 6/9/2007



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STATE OF WASHINGTON

SS.

COUNTY OF KING

I certify that I know or have satisfactory evidence that SOCORRO VASQUEZ is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the executive director or HEARTHSTONE HOUSING FOUNDATION, a California non profit public benefit corporation, a limited liability company, which is the managing general partner of ISLAND SKAGIT PARTNERS, LP, the limited partnership that executed the within and foregoing instrument, to be the free and voluntary act of such entities for the uses and purposes mentioned in the instrument.

Dated this 23rd day of February, 2007.

Frances Oldham Murphy

(Signature of Notary)

FRANCES OLDHAM MURPHY

(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington,
residing at Seattle WA

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STATE OF WASHINGTON
COUNTY OF KING

ss.

I certify that I know or have satisfactory evidence that DAVID A. BEACHAM is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Vice President of ALLIED PACIFIC DEVELOPMENT INC., a Washington corporation, which is the manager of ISLAND SKAGIT MANAGEMENT, LLC, a Washington limited liability company, which is the co-general partner of ISLAND SKAGIT PARTNERS, LP, the limited partnership that executed the within and foregoing instrument, to be the free and voluntary act of such entities for the uses and purposes mentioned in the instrument.

Dated this 23rd day of February, 2007.

Frances Oldham Murphy
(Signature of Notary)
FRANCES OLDHAM MURPHY

(Legibly Print or Stamp Name of Notary)

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EXHIBIT A-1

LEGAL DESCRIPTION

La Venture Village

422 N. La Venture Rd., Mt. Vernon, Washington 98273

The land is located in the County of Skagit, State of Washington, and is described as follows:

PARCEL "A":

That portion of the West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 21, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at the Northeast corner of said subdivision; thence South along the East line thereof a distance of 396 feet; thence West 330 feet; thence North a distance of 396 feet, more or less, to the North line of said subdivision; thence East along said North line 330 feet, more or less, to the point of beginning,

EXCEPT the South 101 feet of the West 35 feet thereof.

PARCEL "B":

That portion of the West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 21, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point on the West line of said subdivision 160 feet South of the North line thereof; thence East to a point 330 feet West of the East line of said West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 21; thence North 30 feet; thence West to the West line of said subdivision; thence South 30 feet to the point of beginning.

EXCEPT that portion lying within the boundaries of LaVenture Road as conveyed under Auditor's File Nos. 88414 and 8707160028, records of Skagit County, Washington.

PARCEL "C":

The South 60 feet of the North 295 feet of the West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 21, Township 34 North, Range 4 East, W.M.,

EXCEPT the East 330 feet thereof,

AND EXCEPT the West 270 feet thereof.

EXHIBIT A-1



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EXHIBIT A-2

LEGAL DESCRIPTION

Madrona Valley
204 N. Main Street, Coupeville, Washington 98239

The land is located in the County of Island, State of Washington, and is described as follows:

Lot 3 of CITY OF COUPEVILLE SHORT PLAT NO. 87-4 as approved October 2, 1987 and recorded February 4, 1988, in Volume 2 of Short plats, pages 148 and 149, under Auditor's File No. 88001344, records of Island County, Washington, being a portion of John Alexander Donation Land Claim in Section 33, Township 32 North, Range 1 East, W.M.;

EXHIBIT A-2



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EXHIBIT A-3

LEGAL DESCRIPTION

Murdock Court

123 No. Murdock Street, Sedro Woolley, Washington 98284

The land is located in the County of Skagit, State of Washington, and is described as follows:

Lots 2 And 3, Block 1, "ROSEDALE GARDEN TRACTS OF SEDRO-WOOLLEY," as per plat recorded in Volume 3 of Plats, page 52, records of Skagit County, Washington.

EXHIBIT A-3



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EXHIBIT A-4

LEGAL DESCRIPTION

Saratoga Terrace
350 Manchester Way, Langley, Washington 98260

The land is located in the County of Island, State of Washington, and is described as follows:

Lot 4 of CITY OF LANGLEY BOUNDARY LINE ADJUSTMENT, as approved May 25, 1988, and recorded July 1, 1988, in Volume 2, of Short Plats, page 166, under Auditor's File No. 88007767, records of Island County, Washington; being a portion of Government Lot 1, in Section 3, Township 29 North, Range 3 East of the Willamette Meridian.

EXHIBIT A-



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