

After recording please return to:

Affordable Housing Program Administrator  
Federal Home Loan Bank of Seattle  
1501 Fourth Avenue, Suite 1800  
Seattle, WA 98101-1693



200906110107

Skagit County Auditor

6/11/2009 Page 1 of 3 3:36PM

**FEDERAL HOME LOAN BANK OF SEATTLE**

200812310050 Rerecord to correct form.  
**Deed of Trust and Retention Agreement**

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

Grantor(s): Jose Soto and Araceli Soto, a married couple

Grantee: Federal Home Loan Bank of Seattle

Legal Description (abbreviated): Portions of Lots 14 & 15, Blk. 27 Town of Sedro

Full legal(s) on ~~page one or Exhibit A.~~ 25 AS

Assessor's Tax Parcel ID Number: P126573

THIS DEED OF TRUST AND RETENTION AGREEMENT ("Agreement") is made this 1st day of Dec., 2008, between (\*) ("Grantor"), whose address is 520 Alexander St. Sedro-Woolley, WA; and (\*) ("Trustee"), whose address is Guardian NW Title Co.; and the Federal Home Loan Bank of Seattle ("Beneficiary") whose address is 1501 Fourth Avenue, Suite 1800, Seattle, Washington 98101-1693.

(\*) PO Box 1667 Mount Vernon, WA 98273  
**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, which is not used principally for agricultural or farming purposes: (\*) Lot 6 of BLA Survey recorded under AFN 200708730122 also known as Lot 14 and the East 1/2 of Lot 15, Block 27 Plat of Sedro as per plat recorded in Volume 1 of Plats, Page 17, records of Skagit County  
HomeStart Program No. or AHP Project No.: 2003C12008

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. Beneficiary shall not be obligated to initiate any reconveyance requests; in the event Grantor desires reconveyance, Grantor shall initiate that process by written request submitted to Beneficiary. The Deed of Trust provisions of this Agreement secure Grantor's performance of the Retention Agreement provisions of this Agreement (set forth below); there is no separate promissory note or other instrument secured hereby. This Agreement is entered into in connection with a conditional grant, not a loan, and if Grantor fully performs the obligations set forth in the Retention Agreement through the end of the below-defined Retention Period, no payments are due from Grantor to Beneficiary during the Retention Period or thereafter, and reconveyance shall not be conditioned on any payment by Grantor; provided that Grantor shall be responsible for payment of any and all third-party fees and costs associated with any reconveyance or reconveyance request. 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

**Federal Home Loan Bank of Seattle - Affordable Housing Program**  
**AHP Homeownership/HomeStart-Washington**

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.

**RETENTION AGREEMENT.** Beneficiary has issued a \$5,000 <sup>HomeStart Program</sup> grant ("Grant") to assist Grantor in purchasing the Property. The Grant is subject to a "Retention Period," defined as five (5) years commencing on the date of closing of Grantor's purchase of the Property. Grantor agrees to notify Beneficiary in writing received at least two weeks prior to any sale 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: Affordable Housing Program Administrator. The Grant is subject to federal regulations (12 CFR Part 1291), which provide that if Grantor sells 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 for the duration of the Retention Period; or (b) Grantor's interest in the Property is divested via foreclosure of a lien or mortgage senior to this Agreement; or (c) the Property is sold to a "very low-income household" or a "low- or moderate-income household," as defined at 12 CFR 1291.1; or (d) Grantor refinances a permanent mortgage loan originally received through an AHP subsidized advance. Grantor is not required to repay an amount exceeding the net gain realized on a sale or refinancing of the Property.

*This recording supercedes that certain Deed of Trust recorded as  
AFN 200812310050.*

GRANTOR(S):

Jose Soto

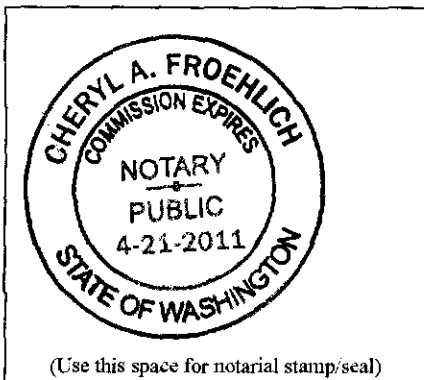
Araceli Soto

STATE OF WASHINGTON )

COUNTY OF Skagit )

ss.

I certify that I know or have satisfactory evidence that Jose & Araceli Soto is/are the person(s) who appeared before me on this date, and said person(s) acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes stated therein.



Date: 6-11-09

Name: Cheryl A. Froehlich  
NOTARY PUBLIC, State of Washington

Residing at Burlington

My appointment expires 4-21-11



## REQUEST FOR FULL RECONVEYANCE

*Do not record. To be used only when obligation has been met.*

TO: TRUSTEE, The undersigned is the legal owner and holder of the indebtedness secured by the within Deed of Trust and Retention Agreement. Said indebtedness 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 and Retention Agreement, to cancel all evidences of indebtedness secured by said Deed of Trust and Retention Agreement and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust and Retention Agreement, all the estate now held by you thereunder.

Mail Reconveyance to:

Affordable Housing Program Administrator  
Federal Home Loan Bank of Seattle  
1501 Fourth Avenue, Suite 1800  
Seattle, WA 98101-1693

### FEDERAL HOME LOAN BANK OF SEATTLE

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF WASHINGTON )

) ss.

COUNTY OF KING )

I certify that I know that \_\_\_\_\_ is the person who appeared before me, and said person acknowledged that \_\_\_\_\_ signed this request for reconveyance, on oath stated that \_\_\_\_\_ was authorized to execute the request for reconveyance and acknowledged it as the \_\_\_\_\_ of the Federal Home Loan Bank of Seattle to be the free and voluntary act of such party for the uses and purposes stated therein.

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Notary Public, State of Washington

Residing at: \_\_\_\_\_

My Commission expires: \_\_\_\_\_



200906110107

Skagit County Auditor