



201006180150

Skagit County Auditor

6/18/2010 Page

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18 2:08PM

Return To:  
WFHM FINAL DOCS X2599-024

405 SW 5TH STREET DES  
MOINES, IA 50309-4600

Assessor's Parcel or Account Number: 350620-3-006-0007, P41728  
Abbreviated Legal Description: SECTION 20, TOWNSHIP 35, RANGE 6, PTN. SW SW  
GUARDIAN NORTHWEST TITLE CO.

[Include lot, block and plat or section, township and range] Full legal description located on page 2  
Trustee: NORTHWEST TRUSTEE SERVICES LLC, 3535 FACTORIA BLVD SE, STE 200,  
BELLEVUE, WA 98006

[Space Above This Line For Recording Data]

99466-2

State of Washington

# DEED OF TRUST

FHA Case No.
561-9682129 703

THIS DEED OF TRUST ("Security Instrument") is made on JUNE 15, 2010  
The Grantor is HEATH MANKE, A SINGLE PERSON

("Borrower"). The trustee is NORTHWEST TRUSTEE SERVICES LLC, 3535 FACTORIA BLVD SE,  
STE 200, BELLEVUE, WA 98006

("Trustee"). The beneficiary is WELLS FARGO BANK, N.A.

which is organized and existing under the laws of THE UNITED STATES, and

0300588993

NMFL #0333 (WAFD) Rev 2/27/2006

FHA Washington Deed of Trust - 4/96

VMP 4R(WA) (0305)

Page 1 of 8

VMP Mortgage Solutions (800)521-7291



whose address is P.O. BOX 11701, NEWARK, NJ 071014701

("Lender"). Borrower owes Lender the principal sum of  
**ONE HUNDRED NINETY SEVEN THOUSAND THREE HUNDRED FORTY TWO AND 00/100**

Dollars (U.S. \$ \*\*\*\*\*197,342.00).

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on **JULY 01, 2040**.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to the Trustee, in trust, with power of sale, the following described property located in **SKAGIT** County, Washington:

**SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART THEREOF**

**THIS IS A PURCHASE MONEY SECURITY INSTRUMENT.**

**TAX STATEMENTS SHOULD BE SENT TO: WELLS FARGO HOME MORTGAGE, P.O. BOX 11701, NEWARK, NJ 071014701**

which has the address of **31010 WALBERG ROAD**  
**SEDRO WOOLLEY**

("Property Address");

[City], Washington **98284**

[Street]

[Zip Code]

**TOGETHER WITH** all the improvements now or hereafter erected on the property, and all easements, appurtenances and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

**BORROWER COVENANTS** that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

**THIS SECURITY INSTRUMENT** combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Borrower and Lender covenant and agree as follows:

**UNIFORM COVENANTS.**

**1. Payment of Principal, Interest and Late Charge.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

**2. Monthly Payment of Taxes, Insurance and Other Charges.** Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be



determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. Section 2601 *et seq.* and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

**3. Application of Payments.** All payments under paragraphs 1 and 2 shall be applied by Lender as follows:

First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;

Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note; and

Fifth, to late charges due under the Note.

**4. Fire, Flood and Other Hazard Insurance.** Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

**5. Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. Borrower shall



also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

**6. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

**7. Charges to Borrower and Protection of Lender's Rights in the Property.** Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments required by paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2.

Any amounts disbursed by Lender under this paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender, shall be immediately due and payable.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

**8. Fees.** Lender may collect fees and charges authorized by the Secretary.

**9. Grounds for Acceleration of Debt.**

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including Section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:



(i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and

(ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

**(c) No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

**(d) Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

**(e) Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

**10. Reinstatement.** Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

**11. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

**12. Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.



**13. Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

**14. Governing Law; Severability.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

**15. Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

**16. Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

**NON-UNIFORM COVENANTS.** Borrower and Lender further covenant and agree as follows:

**17. Assignment of Rents.** Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 17.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.



18. **Foreclosure Procedure.** If Lender requires immediate payment in full under paragraph 9, Lender may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee and Lender shall take such action regarding notice of sale and shall give such notices to Borrower and to other persons as applicable law may require. After the time required by applicable law and after publication of the notice of sale, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of the Property for a period or periods permitted by applicable law by public announcement at the time and place fixed in the notice of sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it or to the clerk of the superior court of the county in which the sale took place.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 *et seq.*) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this paragraph 18 or applicable law.

19. **Reconveyance.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

20. **Substitute Trustee.** In accordance with applicable law, Lender may from time to time appoint a successor trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

21. **Use of Property.** The Property is not used principally for agricultural or farming purposes.

22. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)].

Condominium Rider                       Growing Equity Rider                       Other [specify]  
 Planned Unit Development Rider                       Graduated Payment Rider                      \*

\* SINGLE-FAMILY DEED OF TRUST RIDER - FHA & VA, MANUFACTURED HOME AFFIDAVIT OF AFFIXATION, MANUFACTURED HOME RIDER TO SECURITY INSTRUMENT.





**EXHIBIT A**

**LEGAL DESCRIPTION:** Real property in the County of Skagit, State of Washington, described as follows:

**The North 1/2 of the West 1/2 of the West 1/2 of the Southwest 1/4 of Section 20, Township 35 North, Range 6 East, W.M.; EXCEPT County Road, AND EXCEPT the following described tract:**

**Beginning at the Northeast corner of the West 1/2 of the West 1/2 of the Southwest 1/4 of the Southwest 1/4 of said Section; thence South 208.71 feet; thence West 208.71 feet; thence North 208.71 feet; thence East to the point of beginning.**



201006180150

Skagit County Auditor

**SINGLE-FAMILY DEED OF TRUST RIDER - FHA & VA**  
**House Key Program**  
**Washington State Housing Finance Commission**

This Rider, made this 15 day of June, 20 10, is attached and incorporated into and shall be deemed to amend and supplement the Deed of Trust of the same date (the "Deed of Trust") given by the undersigned ("Grantor") to secure its Note of the same date (the "Note") to First American Title as Trustee, for the benefit of Wells Fargo Bank, N.A. (the "Beneficiary", which includes any successors or assigns thereof). The Property encumbered by the Deed of Trust shall be called the "Property." The Provisions of this Rider shall control any conflicting provisions in the Deed of Trust.

The following provisions are hereby incorporated into the Deed of Trust:

**1. Acceleration.** As long as this Deed of Trust is held by the Washington State Housing Finance Commission (the "Commission") or its trustee, or secures or "backs" a Government National Mortgage Association ("GNMA") mortgage pass-through certificate, the Lender may, at Lender's option, declare all sums secured by the Mortgage to be immediately due and payable if Borrower omits or misrepresents a fact in an application for the Deed of Trust, including, without limitation, anything contained in the Mortgagor's Affidavit executed by the Borrower in conjunction with this Deed of Trust. As an alternate remedy, Beneficiary may increase the interest rate provided for in the Note in an amount not to exceed that permitted by applicable law. For purposes this alternate remedy only, "Beneficiary" shall not include the Commission or its trustee.

The following paragraph is added concerning transfer of property and assumption procedures:

**2. Transfer of Property: Assumption.** If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding

- (a) the creation of a lien or encumbrance subordinate to this Deed of Trust,
- (b) the creation of a purchase money security interest for household appliances, or
- (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant, Lender may, at Lender's option, declare all sums secured by this Deed of Trust to be immediately due and payable. Lender shall waive such option to accelerate if:

(A) the person to whom the Property is to be sold or transferred (the "Transferee")

- (1) has at the time of such transfer an Annual Family Income (as defined below) not in excess of the then current Maximum Annual Family Income as established by the Commission for persons and families in the statistical area in which the Property is located;
- (2) intends to use the Property as his or her principal residence within sixty (60) days of the date the Deed of Trust is assumed and intends to maintain the residence as his or her principal residence as long as he or she is liable under the Note; and
- (3) has not, at any time during the three-year period ending on the date the Deed of Trust is assumed, had a present ownership interest in a principal residence (except in the case of a residence in a Targeted Area as hereinafter defined) unless Borrower at time this Deed of Trust was executed was not required to be a first-time homebuyer pursuant to Section 143 of the Internal Revenue Code of 1986, and the regulations thereunder ("Section 143");

(B) the credit of the Transferee is satisfactory to the Lender;

(C) the entire unpaid principal amount of the Mortgage Loan will continue to be insured by a mortgage insurer acceptable to the Commission;

(D) the assumption by the Transferee has been approved by the Commission;

(E) on the date of transfer the Purchase Price (as defined below) of the Property does not exceed the Maximum Purchase Price established by the Commission from time to time (for the same type of residence in the statistical area in which the Property is located) in accordance with Section 143;

(F) the Transferee executes a written agreement with the Lender assuming the obligations under the Note and this Deed of Trust; and

(G) the Transferee executes such affidavits and documents as are necessary to assure the Lender that the requirements of this paragraph are satisfied.

For purposes of the preceding paragraph, the following words and phrases have the following meanings:

- (a) "Annual Family Income" means gross monthly income multiplied by 12. Gross monthly income is the sum of monthly gross pay; any additional income from overtime, part-time employment, bonuses, social security benefits, unemployment compensation, income from trusts and income received from business investments. Information with respect to gross monthly income may be obtained from available loan





**MANUFACTURED HOME AFFIDAVIT OF AFFIXATION**

Record and Return  by Mail  by Pickup to:  
WFHM FINAL DOCS X2599-024

405 SW 5TH STREET  
DES MOINES, IA 50309-4600

This Instrument Prepared By:

**DAVID NOBLE 480-518-8378**

Preparer's Name

1150 W. WASHINGTON STREET,

Preparer's Address 1

TEMPE, AZ 852810000

Preparer's Address 2

ATTENTION COUNTY CLERK: This instrument covers goods that are or are to become fixtures on the Land described herein and is to be filed for record in the records where conveyances of real estate are recorded.

Page 1

Initial:

*HM*

NMFL # 7111 (MAHA) Rev 2/4/2008



201006180150  
Skagit County Auditor

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**HEATH MANKE**

[type the name of each Homeowner signing this Affidavit]:

being duly sworn, on his or her oath state as follows:

1. Homeowner owns the manufactured home ("Home") described as follows:

New/Used	Year	Manufacturer's Name	Model Name or Model No.	Length x Width
USED	2003	SKYLINE	GREENBRIAR	045 x 027
9U910165R		9U910165R		
Serial No.		Serial No.	Serial No.	Serial No.

2. The Home was built in compliance with the federal Manufactured Home Construction and Safety Standards Act.

3. If the Homeowner is the first retail buyer of the Home, Homeowner is in receipt of (i) the manufacturer's warranty for the Home, (ii) the Consumer Manual for the Home, (iii) the Insulation Disclosure for the Home, and (iv) the formaldehyde health notice for the Home.

4. The Home is or will be located at the following "Property Address":

**31010 WALBERG ROAD, SEDRO WOOLLEY, SKAGIT, WA 98284**

Street or Route, City, County, State Zip Code

5. The legal description of the Property Address ("Land") is:

**SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART THEREOF**

**THIS IS A PURCHASE MONEY SECURITY INSTRUMENT.**

**TAX STATEMENTS SHOULD BE SENT TO: WELLS FARGO HOME MORTGAGE, P.O. BOX 11701, NEWARK, NJ 071014701**

6. The Homeowner is the owner of the Land or, if not the owner of the Land, is in possession of the real property pursuant to a lease in recordable form, and the consent of the lessor is attached to this Affidavit.

7. The Home [ ] is [ ] shall be anchored to the Land by attachment to a permanent foundation, constructed in accordance with applicable state and local building codes and manufacturer's specifications in a manner sufficient to validate any applicable manufacturer's warranty, and permanently connected to appropriate residential utilities (e.g., water, gas, electricity, sewer) ("Permanently Affixed"). The Homeowner intends that the Home be an immoveable fixture and a permanent improvement to the Land.

**ATTENTION COUNTY CLERK:** This instrument covers goods that are or are to become fixtures on the Land described herein and is to be filed for record in the records where conveyances of real estate are recorded.



8. The Home shall be assessed and taxed as an improvement to the Land.
9. Homeowner agrees that as of today, or if the Home is not yet located at the Property Address, upon the delivery of the Home to the Property Address:
- (a) All permits required by governmental authorities have been obtained;
  - (b) The foundation system for the Home was designed by an engineer to meet the soil conditions of the Land. All foundations are constructed in accordance with applicable state and local building codes, and manufacturer's specifications in a manner sufficient to validate any applicable manufacturer's warranty.
  - (c) The wheels, axles, towbar or hitch were removed when the Home was, or will be, placed on the Property Address; and
  - (d) The Home is (i) Permanently Affixed to a foundation, (ii) has the characteristics of site-built housing, and (iii) is part of the Land.
10. If the Homeowner is the owner of the Land, any conveyance or financing of the Home and the Land shall be a single transaction under applicable state law.
11. Other than those disclosed in this Affidavit, the Homeowner is not aware of (i) any other claim, lien or encumbrance affecting the Home, (ii) any facts or information known to the Homeowner that could reasonably affect the validity of the title of the Home or the existence or non-existence of security interests in it.
12. A Homeowner shall initial only one of the following, as it applies to title to the Home:  
**[Closing and Agent: please refer to the Manufactured Home and Land Supplemental Closing Instructions for completion instructions]:**
- The Home is not covered by a certificate of title. The original manufacturer's certificate of origin, duly endorsed to the Homeowner, is attached to this Affidavit, or previously was recorded in the real property records of the jurisdiction where the Home is to be located.
  - The Home is not covered by a certificate of title. After diligent search and inquiry, the Homeowner is unable to produce the original manufacturer's certificate of origin.
  - The manufacturer's certificate of origin and/or certificate of title to the Home [ ] shall be [X] has been eliminated as required by applicable law.
  - The Home shall be covered by a certificate of title.
13. This Affidavit is executed by Homeowner(s) pursuant to applicable state law.

**ATTENTION COUNTY CLERK:** This instrument covers goods that are or are to become fixtures on the Land described herein and is to be filed for record in the records where conveyances of real estate are recorded.

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Initial: HM

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Skagit County Auditor

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IN WITNESS WHEREOF, Homeowner(s) has executed this Affidavit in my presence and in the presence of the undersigned witnesses on this 17<sup>th</sup> day of

June 2010

Homeowner #1 (SEAL) HEATH MANKE Witness

Homeowner #2 (SEAL) \_\_\_\_\_ Witness

Homeowner #3 (SEAL) \_\_\_\_\_ Witness

Homeowner #4 (SEAL) \_\_\_\_\_ Witness

STATE OF Washington )  
COUNTY OF Skagit ) ss.:

On the 17<sup>th</sup> day of June in the year 2010  
before me, the undersigned, a Notary Public in and for said State, personally appeared

Heath Manke

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

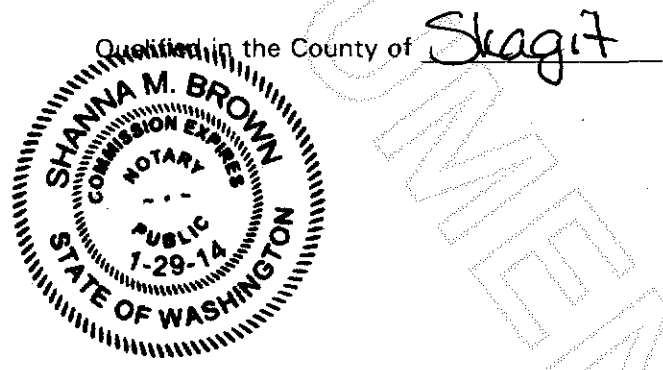
[Signature]  
Notary Signature

Shanna M. Brown  
Notary Printed Name

Notary Public, State of WA

My Commission expires: 1/29/14

Official Seal:



ATTENTION COUNTY CLERK: This instrument covers goods that are or are to become fixtures on the Land described herein and is to be filed for record in the records where conveyances of real estate are recorded.



Record and Return  by Mail  by Pickup to:  
WFHM FINAL DOCS X2599-024  
405 SW 5TH STREET  
DES MOINES, IA 50309-4600

### MANUFACTURED HOME RIDER TO SECURITY INSTRUMENT

This Rider is made this JUNE 15, 2010 and is incorporated into and amends and supplements the Mortgage, Open-End Mortgage, Deed of Trust, or Credit Line Deed of Trust, Security Deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Note to WELLS FARGO BANK, N.A.

\_\_\_\_\_ ("Lender") of the same date ("Note") and covering the Property described in the Security Instrument and located at: 31010 WALBERG ROAD, SEDRO WOOLLEY, WA 98284

(Property Address)

Borrower and Lender agree that the Security Instrument is amended and supplemented to read as follows:

- 1. Meaning of Some Words.** As used in this Rider, the term "Loan Documents" means the Note, the Security Instrument and any Construction Loan Agreement, and the term "Property", as that term is defined in the Security Instrument, includes the "Manufactured Home" described in paragraph 3 of this Rider. All terms defined in the Note or the Security Instrument shall have the same meaning in this Rider.
- 2. Purpose and Effect of Rider.** IF THERE IS A CONFLICT BETWEEN THE PROVISIONS IN THIS RIDER AND THOSE IN THE SECURITY INSTRUMENT, THE PROVISIONS IN THIS RIDER SHALL CONTROL. THE CONFLICTING PROVISIONS IN THE SECURITY INSTRUMENT WILL BE ELIMINATED OR MODIFIED AS MUCH AS IS NECESSARY TO MAKE ALL OF THE CONFLICTING TERMS AGREE WITH THIS RIDER.
- 3. Lender's Security Interest.** All of Borrower's obligations secured by the Security Instrument also shall be secured by the Manufactured Home:

New/Used	Year	Manufacturer's Name	Model Name or Model No.	Length x Width
USED	2003	SKYLINE	GREENBRIAR	045 x 027
9U910165R		9U910165R		
Serial No.		Serial No.	Serial No.	Serial No.

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Skagit County Auditor

4. **Affixation.** Borrower covenants and agrees:
- (a) to affix the Manufactured Home to a permanent foundation on the Property;
  - (b) to comply with all Applicable Law regarding the affixation of the Manufactured Home to the Property;
  - (c) upon Lender's request, to surrender the certificate of title to the Manufactured Home, if surrender is permitted by Applicable Law, and to obtain the requisite governmental approval and documentation necessary to classify the Manufactured Home as real property under Applicable Law;
  - (d) that affixing the Manufactured Home to the Property does not violate any zoning laws or other local requirements applicable to the Property;
  - (e) that the Manufactured Home will be, at all times and for all purposes, permanently affixed to and part of the Property.
5. **Charges; Liens.** Section 4, Paragraph 1 of the Security Instrument is amended to add a new third sentence to read:  
Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph and receipts evidencing the payments.
6. **Property Insurance.** Section 5, Paragraph 1 of the Security Instrument is amended to add a new second sentence to read:  
Whenever the Manufactured Home is transported on the highway, Borrower must have trip insurance.
7. **Notices.** The second sentence of Section 15 of the Security Instrument is amended by inserting the words "unless otherwise required by law" at the end.
8. **Additional Events of Default.** Borrower will be in default under the Security Instrument:
- (a) if any structure on the Property, including the Manufactured Home, shall be removed, demolished, or substantially altered;
  - (b) if Borrower fails to comply with any requirement of Applicable Law (Lender, however, may comply and add the expense to the principal balance Borrower owes to Lender); or
  - (c) if Borrower grants or permits any lien on the Property other than Lender's lien, or liens for taxes and assessments that are not yet due and payable.
9. **Notice of Default.** If required by Applicable Law, before using a remedy, Lender will send Borrower any notice required by law, and wait for any cure period that the law may require for that remedy.
10. **Additional Rights of Lender in Event of Foreclosure and Sale.** In addition to those rights granted in the Note and Security Instrument, Lender shall have the following rights in the event Lender commences proceedings for the foreclosure and sale of the Property.
- (a) At Lender's option, to the extent permitted by Applicable Law, Lender may elect to treat the Manufactured Home as personal property ("Personal Property Collateral"). Lender may repossess peacefully from the place where the Personal Property Collateral is located without Borrower's permission. Lender also may require Borrower to make the Personal Property Collateral available to Lender at a place Lender designates that is reasonably convenient to Lender and Borrower. At Lender's option, to the extent permitted by Applicable Law, Lender may detach and remove Personal Property Collateral from the Property, or Lender may take possession of it and leave it on the Property. Borrower agrees to cooperate with Lender if Lender exercises these rights.
  - (b) After Lender repossesses, Lender may sell the Personal Property Collateral and apply the sale proceeds to Lender's reasonable repossession, repair, storage, and sale expenses, and then toward any other amounts Borrower owes under the Loan Documents.



(c) In the event of any foreclosure sale, whether made by Trustee, or under judgment of a court, all of the real and Personal Property Collateral may, at the option of Lender, be sold as a whole or in parcels. It shall not be necessary to have present at the place of such sale the Personal Property Collateral or any part thereof. Lender, as well as Trustee on Lender's behalf, shall have all the rights, remedies and recourse with respect to the Personal Property Collateral afforded to a "Secured Party" by Applicable Law in addition to, and not in limitation of, the other rights and recourse afforded Lender and/or Trustee under the Security Instrument.

By signing below, Borrower accepts and agrees to the terms and covenants contained in this Rider.

WITNESS my hand and seal this 17<sup>th</sup> day of June, 2010

*Heath Manke*

Borrower  
**HEATH MANKE**

Borrower

Borrower

Borrower

Borrower

Borrower

Borrower

Borrower

STATE OF Washington )  
COUNTY OF Skagit ) ss.:

On the 17<sup>th</sup> day of June in the year 2010  
before me, the undersigned, a Notary Public in and for said State, personally appeared

Heath Manke  
personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

*[Signature]*

Notary Signature

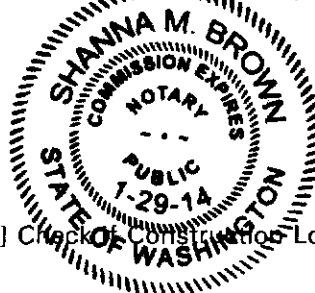
Shanna M. Gipe  
Notary Printed Name

Qualified in the County of WA

Notary Public, State of WA

My Commission expires: 1/29/14

Official Seal:



Drafted By: DAVID NOBLE 480-518-8378

[ ] Check of Consistency Loan

