

**When Recorded Return To:**

The Washington State Department of Commerce  
Housing Trust Fund  
1011 Plum Street SE  
Post Office Box 42525  
Olympia, Washington 98504-2525

Attention: Dan Riebli, (360) 725-2660



201207230161

Skagit County Auditor

7/23/2012 Page 1 of 6 3:18PM

**SECOND AMENDED AND RESTATED DEED OF TRUST**

**Reference Number of Document Amended: 200304170017**

Grantor (Borrower): Raspberry Ridge Apartments Limited Partnership  
Beneficiary (Lender): Washington State Department of Commerce  
Grantee (Trustee): First American Title of Skagit County  
Assessor's Tax Parcel ID #: 3867-000-037-0102 R62519, 3867-000-037-0003 R62518,  
3867-000-037-0805 R62528, 3867-000-037-0904 R62529,  
3867-000-036-1200 P62517  
Legal Description (abbreviated): That portion of Tracts 36 and 37, "PLAT OF THE BURLINGTON ACREAGE  
PROPERTY", recorded in Volume 1 of Plats, Page 49, records of Skagit County,  
Washington.  
Contract Number: 01-49300-572

THIS SECOND AMENDED AND RESTATED DEED OF TRUST (the "Second Amended Deed of Trust") is made this 23<sup>rd</sup> day of July, 2012, between Raspberry Ridge Apartments Limited Partnership, a Washington limited partnership, whose mailing address is 1650 Port Drive, Burlington, Washington 98233 as Grantor ("Grantor"); First American Title of Skagit County, whose mailing address is 1301-B Riverside Drive, Mount Vernon, Washington 98273 as Trustee ("Trustee"); and the Washington State Department of Commerce, or its successor agency, as Beneficiary ("Beneficiary"), whose mailing address is 1011 Plum Street SE, P.O. Box 42525, Olympia, Washington 98504-2525.

THIS SECOND AMENDED AND RESTATED DEED OF TRUST modifies that certain Amended and Restated Deed of Trust recorded under Skagit County Auditor's Recording Number 200304170017 (the "Amended Deed of Trust") securing payment in the amount of One Million Eight Hundred Thirty Thousand Five Hundred Forty-Six and 00/100 Dollars (\$1,830,546.00).

WHEREAS the Beneficiary has made an additional advance of Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00) to the Grantor, as evidenced by a Second Amended and Restated Promissory Note (the "Second Amended Note") of even date;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree that the Amended Deed of Trust is amended as follows:

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 in Attachment A, which by this reference is incorporated into this Second Amended Deed of Trust, and 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 Amended and Restated Deed of Trust is given for the purpose of securing the following:

- (a) Payment in the amount of Two Million One Hundred Eighty Thousand Five Hundred Forty-Six and 00/100 Dollars (\$2,180,546.00) with interest thereon according to the terms of a Second Amended and Restated Promissory Note of even date herewith, payable by the Grantor to the Beneficiary, including all renewals, modifications and extensions thereto,
- (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 Amended and Restated Deed of Trust and in the Housing Trust Fund Contract Number 01-49300-572 between Grantor and Beneficiary, their successors or assigns, as now or hereafter amended (the "Contract").

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

4. Protection of Security. To protect the security of this Second Amended 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 Second Amended 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. Except as otherwise provided herein and in the Contract, the amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order, as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Second Amended 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 Second Amended Deed of Trust.

4.5. To pay all costs, fees and expenses in connection with this Second Amended 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 Second Amended Deed of Trust.



**5. General Conditions.** The parties hereto agree that:

5.1. In the event of any fire or other casualty to the Property or eminent domain proceedings resulting in condemnation of the Property or any part thereof, Grantor shall have the right to rebuild the Property, and to use all available insurance or condemnation proceeds therefore, provided that (a) such proceeds are sufficient to keep the loan in balance and rebuild the Property in a manner that provides adequate security to the Beneficiary for repayment of the loan, or if such proceeds are insufficient to provide adequate security or to keep the loan in balance, then Grantor has funded any deficiency, (b) Beneficiary shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and such approval shall not be unreasonably withheld, and (c) no material default then exists under the Contract, the Second Amended Note, this Second Amended Deed of Trust or the Covenant. If the casualty or condemnation affects only part of the Property and total rebuilding is infeasible, then such insurance and/or condemnation proceeds may be used for partial rebuilding and partial repayment of the loan in a manner that provides adequate security to the Beneficiary for repayment of the remaining balance of the loan. .

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 Second Amended 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 Second Amended 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 Second Amended and Restated 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 Second Amended 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 Second Amended Deed of Trust and by the Deed of Trust Act of the state of Washington is not an exclusive remedy; Beneficiary may cause this Second Amended Deed of Trust to be foreclosed as a mortgage.

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

5.8. This Second Amended 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.** 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, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Second Amended 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 Second Amended 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 Second Amended 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 Second Amended Deed of Trust without further notice or demand on Grantor.

IN WITNESS HEREOF, Raspberry Ridge Apartments Limited Partnership has executed this Second Amended Deed of Trust on the 23rd day of July, 2012.

Raspberry Ridge Apartments Limited Partnership, a Washington limited partnership, by Housing Authority of Skagit County, a Washington housing authority, its general partner

By: *Gustavo Ramos, Jr.*

Print Name: Gustavo Ramos, Jr.

Title: Executive Director

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

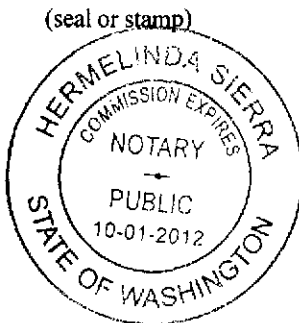
I certify that I know or have satisfactory evidence that Gustavo Ramos, Jr. is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the 7/23/12, of Housing Authority of Skagit County, a Washington non-profit corporation, to me known to be the general partner of Raspberry Ridge Apartments Limited Partnership, a Washington limited partnership, to be the free and voluntary act and deed of such party for the uses and purposes mentioned in the instrument.

Date: 7/23/12

*Hermelinda Sierra*  
Notary Public in and for the State of Washington,  
residing at Skagit Co.

My commission expires 10/1/12

HERMELINDA SIERRA  
Print Name



**REQUEST FOR FULL RECONVEYANCE**

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

TO: TRUSTEE:

The undersigned Beneficiary is the party entitled to the performance, benefits, duties, and payments under the Housing Trust Fund Contract 01-49300-572 between Grantor and Beneficiary that is secured by this Amended and Restated 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 Amended and Restated Deed of Trust, including Contingent Interest, to cancel evidence of indebtedness secured by said Amended and Restated Deed of Trust delivered to you with said Amended and Restated Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Amended and Restated Deed of Trust, all the estate now held by you hereunder.

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title



Attachment A

Legal Description of Property

Revised Schedule "A"

Legal from AFN 200012220100

Revised Lot 2 of December 2000 BLA:

All that portion of Lots 1 and 2 of Revised Short Plat No. 7-85 approved December 3, 1985 and recorded December 4, 1985 in Book 7 of Short Plats, Page 55 as Auditor's File No. 8512040005 being in Section 33, Township 35 North, Range 4 East, W.M., and in Tract 37 "Plat of the Burlington Acreage Property" as per plat recorded in Volume 1 of Plats, Page 49, records of Skagit County, Washington lying EAST of the West ½ of said Tract 37 "Plat of the Burlington Acreage Property". TOGETHER WITH Easement "N" described as follows:

Corrected legal from AFN 200112180107

A non-exclusive easement for ingress, egress and utilities over, across and under a strip of land in the Southwest ¼ of Section 33, Township 35 North, Range 4 East, W.M. being 20 feet on either side of the following described centerline:

Beginning at the Northwest corner of Revised Lot 1, as described in Auditor's File No. 200012220098, records of Skagit County, Washington, said point being the Northwest Corner of Lot 1 in the City of Burlington Short Plat 7-85 recorded as Auditor's File No. 8512040005, records of Skagit County, Washington; thence South 00°16'02" East, along the West line of said Revised Lot 1, a distance of 126.75 feet to the True Point of Beginning; thence North 89°31'38" East, a distance of 300.86 feet; thence South 88°03'44" East, a distance of 60.12 feet; thence North 89°32'10" East, a distance of 285.50 feet to the West line of Revised Lot 2, as described in Auditor's File No. 200012220098, records of Skagit County, Washington and the terminus of said centerline.

EXCEPT the South 1 foot of the West 118.64 feet of said strip of land.

BLA legal from AFN 200210280188

That portion of Tracts 36 and 37 Plat of the Burlington Acreage Property recorded in Volume 1 of Plats, Page 49, records of Skagit County, Washington, described as follows:

Beginning at the southwest corner of the east half of said Tract 36; thence N89°33'04"E, along the south line of said Tract 36, a distance of 241.00 feet; thence N00°25'05"W a distance of 658.90 feet to the north line of said Tract 36; thence S89°38'17"W, along said north line, a distance of 264.41 feet; thence S00°44'59"E a distance of 737.31 feet to the south line of the north 78 feet of the west half of said Tract 37; thence N89°33'04"E, along said line, a distance of 19.14 feet more or less to the west line of the east half of said Tract 37; thence N00°25'05"W, along said west line, a distance of 78.00 feet to the point of beginning.

