

When recorded return to:
Glenmont Capital Management, LLC
40 West 57th Street, 24th Floor
New York, New York 10019
Attention Gregoy I. Simon



201211060052
Skagit County Auditor

11/6/2012 Page 1 of 4 1:51PM

DEED OF TRUST
(For use in the State of Washington only)

CHICAGO
620017256-M

THIS DEED OF TRUST, made this 24 day of September, 2012 between Windward Real Estate Services, Inc., as GRANTOR(S), whose address is 335 Parkplace Center, Suite G-111, Kirkland, WA 98033

and WFG National Title Co. as TRUSTEE, whose address is 3120 Colby Ave., Suite 100, Everett, WA 98201

and GLENMONT REP II MARYSVILLE, LLC and GLENMONT CIP II MARYSVILLE, LLC as BENEFICIARIES, whose address is 40 West 57th Street, 24th Floor, New York, New York 10019.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Skagit County, Washington:

JW Knapp Road, Mt. Vernon, WA 98273, (.9772 AC) Lot 1 of Creekside Meadows, AF 201002090002, Being a Portion of SEC 23 TWP 34 RGE 4 in Skagit County, WA

Tax Parcel Number(s): 130044

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues, and profits thereof.

This deed is for the purpose of securing performance of each agreement of Grantor(s) herein contained, the performance of the terms of the Agreement of the Members of Glenmont Windward Marysville, LLC, of even date herewith (the "Agreement"), the performance of the Amended Guaranty (as defined in the Agreement and payment of the sum of Three Hundred Eighty Five Thousand, Five Hundred Fifty-Five and 78/100 Dollars (\$385,555.78) payable pursuant to the Agreement and as said amount may be increased pursuant to the Agreement, and all renewals, modifications, and extensions thereof.

**CHICAGO TITLE COMPANY HAS PLACED
THIS DOCUMENT OF RECORD AS A CUSTOMER
COURTESY AND ACCEPTS NO LIABILITY FOR THE
ACCURACY OR VALIDITY OF THE DOCUMENT.**

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure, or improvement being built or about to be built thereon; to restore promptly any building, structure, or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.
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 Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor(s). 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 Deed of Trust. In the event of foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
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 action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee and Beneficiary incurred in enforcing the obligation secured hereby and Trustee's and Beneficiary's attorney's fees actually incurred, as provided by statute.
6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the maximum lawful rate, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
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.
3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
4. DUE ON SALE: The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the Agreement and Amended Guaranty and Deed of Trust immediately due and payable, unless prohibited by applicable law.

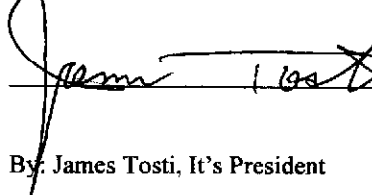


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5. Upon default by Grantor(s) in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein or in the Agreement or Amended Guaranty, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, 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 Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.
6. 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(s) had or had the power to convey at the time of his/her/their execution of this Deed of Trust, and such as he/she/they 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 Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
7. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage. Beneficiary shall have all rights and remedies of a holder of a Deed of Trust and/or mortgage.
8. In the event of the death, incapacity, disability, or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
9. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall include the successors and assigns of the Beneficiary herein.

Windward Real Estate Services, Inc.


By: James Tosti, It's President



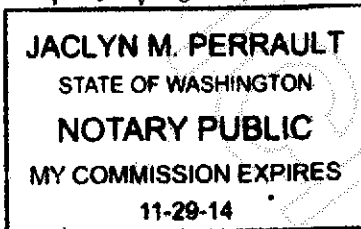
STATE OF WASHINGTON
COUNTY OF KING

ss.

I certify that I know or have satisfactory evidence that James Tosti, President of Windward Real Estate Services, Inc is the person(s) who appeared before me, and said person(s) acknowledged that he he signed this instrument and acknowledged it to be

free and voluntary act for the uses and purposes mentioned in this instrument..

Dated: 09-24-2012



Notary name printed or typed
Notary Public in and for the State of
Residing at
My appointment expires: 11-29-2014

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, 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, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____



Skagit County Auditor