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Skagit County Auditor

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4/23/2018 Page

1 of

18 10:53AM

Document Title:

DEED OF TRUST AND SECURITY AGREEMENT

Reference Number :

Grantor(s):

additional grantor names on page ____.

1. TIMOTHY L GUESS

2. KYONG S GUESS

Grantee(s):

additional grantee names on page ____.

1. UNISON AGREEMENT CORP., A DELAWARE CORPORATION

2.

Abbreviated legal description:

full legal on page(s) ____.

LOT 357, PLAT OF SKAGIT HTGHLANDS DIVTSTON V (PHASE 2). ACCORDING TO TFR E PLAT THEREOF RECORDED ON JANUARY 17, 2008 LTNDE R AUDITOR'S FIT-E NO. 200801170047, RECORDS OF SKAGIT COUNTY, WASHINGTON.

Assessor Parcel / Tax ID Number:

additional tax parcel number(s) on page ____.

P127292

UNOFFICIAL DOCUMENT

**RETURN TO:
BCHH, INC
181 MONTGOMERY RUN ROAD
CORANAPOLIS, PA 15108
412-249-8241**

**Prepared by, recording requested by,
and when recorded mail to:**

Unison Agreement Corp.
P.O. Box 26800
San Francisco, CA 94126-6800

Unison HomeOwner Agreement ID Number:
FRX-043777

UNISON HOMEOWNER DEED OF TRUST AND SECURITY AGREEMENT

**NOTICE: THIS DEED OF TRUST CONTAINS A SUBORDINATION CLAUSE WHICH
MAY RESULT IN BENEFICIARY'S SECURITY OR OTHER INTEREST IN THE
PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN
OF SOME OTHER OR LATER SECURITY INSTRUMENT**

Grantor(s):

1. Timothy L Guess and Kyong S Guess
 Additional names on page 2 of document

Grantee(s):

- Unison Agreement Corp., a Delaware corporation
 Additional names on page ___ of document

Abbreviated Legal Description (lot, block and plat name, or section-township-range):

- Lot , Block ,
 Additional legal description is on page 14 of document

Assessor's Property Tax Parcel Account Number(s): P127292

Reference Numbers of Documents Assigned or Released (if applicable):

- Additional reference numbers on page ___ of document

Page 1 of 14

Owner's Initials: TLG KSG

This **SUBORDINATED HOMEOWNER DEED OF TRUST AND SECURITY AGREEMENT**, together with riders hereto ("**Unison HomeOwner Security Instrument**"), is made as of 02/13/2018 ("Effective Date"), among TIMOTHY L GUESS AND KYONG S GUESS, HUSBAND AND WIFE (individually or collectively "Grantor"), and American Title Inc ("Trustee"), whose address is 11010 Burdette St PO BOX 641010, Omaha, NE 68164-1010 and Unison Agreement Corp., a Delaware corporation, and its successors and assignees ("**Beneficiary**"), whose address is 650 California Street, Suite 1800 San Francisco, CA 94108. Capitalized terms used in this Unison HomeOwner Security Instrument shall have the meanings specified in this Unison HomeOwner Security Instrument, or if not defined herein, in that certain Unison HomeOwner Covenant Agreement ("**Unison HomeOwner Covenant Agreement**"), Unison HomeOwner Option Agreement ("**Unison HomeOwner Option Agreement**") and that certain Memorandum Of Unison HomeOwner Agreement ("**Unison HomeOwner Recorded Memorandum**"), which documents, together with this Unison HomeOwner Security Instrument, are collectively termed the "**Unison HomeOwner Agreement**" executed by Grantor and Beneficiary concurrently herewith.

1. **Grant In Trust.**

GRANTOR HEREBY IRREVOCABLY bargains, sells and conveys to Trustee, and its successors and assignees, in trust, with power of sale, all of that property ("**Real Property**") described in **SCHEDULE A** attached hereto and made a part hereof.

Together with all improvements, replacements and additions now or hereafter erected on the Real Property and all easements, appurtenances and fixtures now or hereafter a part of the Real Property. (The fixtures, improvements and the Real Property are collectively referred to as the "**Property.**")

Together with all rents, issues, profits and proceeds, including without limitation insurance and condemnation proceeds, from the Real Property, subject, however, to the right, power and authority given to and conferred upon Beneficiary below to collect and apply such rents, issues and profits.

Grantor warrants that he/she/they is/are lawfully seised 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. Grantor warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

2. **Secured Obligations.** Grantor makes the grant, transfer and assignment set forth in the "Grant In Trust" Section above for the purpose of securing:

a. Grantor's performance, and Beneficiary's rights, under the Unison HomeOwner Agreement;

f. Grantor shall not be obligated to repay any part of the **Unison Investment Payment** (as such term is defined in Schedule A to the Unison HomeOwner Covenant Agreement), and therefore, such item shall not be included within the Obligations. The foregoing shall not, however, in any way limit any payment calculated and agreed by Grantor to be paid pursuant to the Unison HomeOwner Agreement, according to the calculation of **Investor Proceeds** and **Investor Interest** (as defined in the Unison HomeOwner Agreement), including, without limitation, any such calculation in connection with a **Special Termination** as defined in **Section 6.2** of the Unison HomeOwner Covenant Agreement.

3. **Uniform Commercial Code Security Agreement And Fixture Filing.** This Unison HomeOwner Security Instrument also is intended to be and shall constitute a security agreement under the Washington Uniform Commercial Code for any items of personal property that constitute fixtures or are specified as part of the Property and that under applicable law may be subject to a security interest under the California Uniform Commercial Code. Grantor hereby grants to Beneficiary a security interest in those items to secure the performance and payment of the Obligations.

a. Grantor agrees that Beneficiary may file either this Unison HomeOwner Security Instrument, or a copy of it, or a UCC-1 Financing Statement in the real estate records or other appropriate index and/or with the Department of Licensing, State of Washington, as a financing statement for any of the items specified above as part of the Property.

b. This Unison HomeOwner Security Instrument constitutes a financing statement filed as a fixture filing pursuant to Section RCW 62.9A-502 and 62A.9A-514 of the Washington Uniform Commercial Code, and any similar or successor provisions.

c. Beneficiary may file such extensions, renewals, amendments and releases as are appropriate to reflect the status of its security interest.

d. Grantor shall pay all costs of filing such financing statements and any extensions, renewals, amendments, and releases of such statements, and shall pay all reasonable costs and expenses of any record searches for financing statements that Beneficiary may reasonably require.

e. On any default hereunder, Beneficiary shall have the remedies of a secured party under the Washington Uniform Commercial Code and may also invoke the remedies in **Section 7** below. In exercising any of these remedies, Beneficiary may proceed against the items of Real Property, fixtures or improvements separately or together and in any order whatsoever without in any way affecting the availability of Beneficiary's remedies under the Washington Uniform Commercial Code or the remedies in **Section 7** below.

4. **Assignment Of Leases And Rents.** As additional security for the Obligations, Grantor hereby irrevocably, absolutely and unconditionally assigns to Beneficiary all of Grantor's right, title and interest in and to all existing and future leases, subleases and licenses

relating to the use, occupancy or enjoyment of all or any part of the Property and all rents, income, revenues, profits, proceeds and earnings now or hereafter payable with respect to the ownership, use or occupancy of the Property (collectively the "Rents");

a. Grantor hereby gives to, and confers upon, Beneficiary the right, power and authority, during the continuance of this Unison HomeOwner Security Instrument, to collect the Rents, reserving unto Grantor the right, prior to any default by Grantor in payment of the Obligations secured hereby or in performance of any agreement hereunder, to collect and retain such Rents, as they become due and payable.

b. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the Obligations secured hereby, enter upon and take possession of the Property or any part of it, in its own name sue for or otherwise collect such Rents, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including Attorneys' Fees to the Obligations secured hereby, and in such order as Beneficiary may determine.

c. The entering upon and taking possession of the Property, the collection of such rents, issues and profits and the application of such rents, issues and profits pursuant to this Unison HomeOwner Security Instrument, shall not cure or waive any default or notice of default under this Unison HomeOwner Security Instrument or invalidate any act done pursuant to such notice.

d. Nothing in this section shall permit Grantor to lease or rent the Property in contravention of any provision of the Unison HomeOwner Agreement; nor shall anything in this section modify any provision in the Unison HomeOwner Agreement relating to the use, lease or occupancy of the Property.

5. **Covenants Of Grantor Regarding The Property.** Grantor hereby agrees as follows:

a. To appear in and defend any action or proceeding purporting to affect the security of this Unison HomeOwner Security Instrument or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses of Trustee and Beneficiary (including cost of evidence of title and Attorneys' Fees) incurred: (i) in any state, federal, appellate, or bankruptcy court, in any action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Unison HomeOwner Security Instrument or to collect the Obligations or to protect Beneficiary's rights under this Unison HomeOwner Security Instrument; and/or (ii) in connection with the enforcement of any provisions of this Unison HomeOwner Security Instrument or in connection with foreclosure upon the collateral granted under this Unison HomeOwner Security Instrument (whether or not suit is filed).

b. To pay: at least ten (10) days before delinquency all taxes and assessments affecting the Property; and all encumbrances, charges and liens, with interest, on the Property (or any part of the Property), which are prior or could obtain priority to the lien or to the rights granted under this Unison HomeOwner Security Instrument, and all costs, fees and expenses of this Unison HomeOwner Security Instrument.

(i) If Grantor fails to make any payment or to do any act as provided in this Unison HomeOwner Security Instrument, Beneficiary or Trustee may (but shall not be obligated to) make the payment or do the act in the required manner and to the extent deemed necessary by Beneficiary or Trustee to protect the security for this Unison HomeOwner Security Instrument, which payments and related expenses (including Attorneys' Fees) shall also be secured by this Unison HomeOwner Security Instrument.

(ii) Such performance by Beneficiary or Trustee shall not require notice to, or demand on, Grantor and shall not release Grantor from any obligation under this Unison HomeOwner Security Instrument.

(iii) Beneficiary or Trustee shall have the following related rights and powers: (A) to enter upon the Property for the foregoing purposes, (B) to appear in and defend any action or proceeding purporting to affect the Property or the rights or powers of Beneficiary or Trustee under this Unison HomeOwner Security Instrument, (C) to pay, purchase, contest or compromise any encumbrance, charge, or lien that in the judgment of Beneficiary or Trustee appears to be prior or superior to this Unison HomeOwner Security Instrument, and (D) to employ counsel, and to pay such counsel necessary expenses and costs, including Attorneys' Fees.

c. To pay immediately upon demand all sums expended by Beneficiary or Trustee pursuant to this Unison HomeOwner Security Instrument; and to pay interest on any of the foregoing amounts demanded by Beneficiary or Trustee at the rate specified in the Unison HomeOwner Agreement from the date of such demand, not to exceed the maximum rate allowed by law at the time of such demand.

6. **Power Of Attorney.** Grantor hereby irrevocably appoints Beneficiary as Grantor's attorney-in-fact (such agency being coupled with an interest), and as such attorney-in-fact Beneficiary may, after providing notice to Grantor pursuant to the Unison HomeOwner Agreement and the Unison HomeOwner Recorded Memorandum, without the obligation to do so, in Beneficiary's name, or in the name of Grantor, prepare, execute and file or record financing statements, continuation statements, applications for registration and like documents necessary to create, perfect or preserve any of Beneficiary's security interests and rights in or to any of the Property, and, upon a default under this Unison HomeOwner Security Instrument, take any other action required of Grantor; provided, however, that Beneficiary as such attorney-in-fact shall be accountable only for such funds as are actually received by Beneficiary.

a. After deducting all costs, fees and expenses (including Attorneys' Fees) of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: to Beneficiary, all sums expended and performance due under the terms of this Unison HomeOwner Security Instrument, not then performed or repaid, with accrued interest, if any, at the amount allowed by law in effect on the Effective Date of this Unison HomeOwner Security Instrument; to Beneficiary, all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

b. Notice provided to Grantor under this Unison HomeOwner Security Instrument shall be to the address specified in this Unison HomeOwner Security Instrument unless otherwise required by applicable law.

c. Exercise of Beneficiary's remedies under this Unison HomeOwner Security Agreement shall be in compliance with applicable law.

8. **Liquidated Damages.** Liquidated Damages means an amount equal to the sum of:

a. the **Investor Proceeds**, as calculated according to **Article 10 ("Calculations")** of the Unison HomeOwner Covenant Agreement;

b. in connection with Grantor's failure to make any monetary payment, the sum of all monetary obligations (including, without limitation, all **Unpaid Owner Obligations**) owed to Investor by Grantor under the Unison HomeOwner Agreement; and

c. any and all amounts, properly chargeable to Grantor as necessary to satisfy Grantor's obligations under the Unison HomeOwner Agreement with respect to Grantor's mortgage, tax and insurance obligations on the Property, including late fees, reinstatement fees and other penalties.

9. **Late Performance.** By accepting performance of any obligation after its due date, Beneficiary does not waive its right either to require prompt performance when due of all other obligations or to declare default for such failure to perform.

10. **Trustee's Powers.** At any time or from time to time, without liability therefor upon written request of Beneficiary and presentation of this Unison HomeOwner Security Instrument, and without affecting the personal liability of any person for the performance of the Unison HomeOwner Agreement secured hereby, Trustee may: (a) reconvey any part of the Property; (b) consent to the making of any map or plat of the Property; (c) join in granting any easement thereon; and (d) join in any extension agreement or any agreement subordinating the lien or charge of this Unison HomeOwner Security Instrument.

11. **Substitution of Trustee.** Beneficiary, or any successor in ownership of the Obligations, may from time to time, by instrument in writing, substitute a successor or

successors to any Trustee named or acting under this Unison HomeOwner Security Instrument, which instrument, when executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from Trustee's predecessor, succeed to all its title, estate, rights, powers and duties. Such instrument must contain the name of the original Grantor, Trustee and Beneficiary under this Unison HomeOwner Security Instrument, the book and page where this Unison HomeOwner Security Instrument is recorded, and the name and address of the new Trustee(s).

12. Trustee's Compensation. Grantor shall pay Trustee's fees and reimburse Trustee for expenses in the administration of this Trust, including Attorneys' Fees. Grantor shall pay to Beneficiary reasonable compensation for services rendered concerning this Unison HomeOwner Security Instrument, including without limitation any statement of amounts owing under any obligations.

13. Full Reconveyance. Upon written request of Beneficiary stating that all obligations have been performed or paid, and upon payment of its fees, Trustee shall reconvey, without warranty, the Property then held under this Unison HomeOwner Security Instrument. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness of such recitals. The grantee in such reconveyance may be described as "**the person or persons legally entitled thereto.**"

14. Subordination. This Unison HomeOwner Security Instrument is subordinate to and junior to the Unison HomeOwner Recorded Memorandum which affects the Property and which is executed by Grantor as "**Owner**" as of the same date as this Unison HomeOwner Security Instrument. Upon any foreclosure of this Unison HomeOwner Security Instrument by the Beneficiary, despite such foreclosure, the Unison HomeOwner Recorded Memorandum will remain in full force and effect (until released pursuant to its terms) and binding upon any person who now or hereafter obtains an interest in the Property, and the Unison HomeOwner Agreement will remain in full force and effect and binding upon Grantor, and any other person who may agree to be bound by such documents.

15. Successors. This Unison HomeOwner Security Instrument applies to, inures to the benefit of, and binds all parties to this Unison HomeOwner Security Instrument, their heirs, legatees, devisees, administrators, executors, successors, and assignees. The term "**Beneficiary**" shall include any successor or assignee of Beneficiary's rights in the Unison HomeOwner Agreement and in this Unison HomeOwner Security Instrument, whether or not named as Beneficiary in this Unison HomeOwner Security Instrument. In this Unison HomeOwner Security Instrument, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

16. **Joint and Several Liability.** If more than one person signs this Unison HomeOwner Security Instrument as Grantor, the obligations of each signatory shall be joint and several.

17. **Multiple Owners.** If there are multiple Grantors of the Property:

- a. this Unison HomeOwner Security Instrument must be signed by each such Grantor;
- b. all rights and powers specified for Grantor in this Unison HomeOwner Security Instrument must be approved and exercised unanimously by all such multiple Grantors;
- c. all such multiple Grantors shall be jointly and severally liable for all liabilities and obligations specified for Grantor under this Unison HomeOwner Security Instrument;
- d. notice required to be given by, or to, Grantor will be deemed adequately given if given by, or to, any of Grantors using the contact information set forth in this Unison HomeOwner Security Instrument; and
- e. Beneficiary may treat any notice received from any one Grantor as notice from all Grantors.

18. **Revocable Trust.** If any Grantor is/are the trustee(s) of a **Revocable Trust** (as defined in Schedule A to the Unison HomeOwner Covenant Agreement):

- a. all trustees and all trustors of the Revocable Trust must sign this Unison HomeOwner Security Instrument in their capacities as individuals and as trustees and/or trustors of the Revocable Trust, and each trustee and trustor of the Revocable Trust who signs this Unison HomeOwner Security Instrument hereby represents and warrants that all trustees and trustors of the Revocable Trust have been disclosed to Beneficiary;
- b. any trustee of the Revocable Trust who is also a trustor of the Revocable Trust need only sign this Unison HomeOwner Security Instrument once for it to be binding on such person both as trustee and as trustor of the Revocable Trust;
- c. all rights and powers specified for, and all actions required of, Grantor in this Unison HomeOwner Security Instrument must be approved and exercised unanimously by all trustees of the Revocable Trust;
- d. all trustees and all trustors of the Revocable Trust, in their capacities as individuals, shall be jointly and severally liable with Grantor for all liabilities and obligations specified for Grantor under this Unison HomeOwner Security Instrument;

e. all representations and warranties by Grantor in this Unison HomeOwner Security Instrument are made by all trustees of the Revocable Trust on behalf of the Revocable Trust and by all trustees and all trustors of the Revocable Trust in their capacities as individuals;

f. notice required to be given by, or to, any Grantor will be deemed adequately given if given by, or to, any of the trustees of the Revocable Trust using the contact information set forth in this Unison HomeOwner Security Instrument; and

g. Beneficiary may treat any notice received from any one trustee of the Revocable Trust as notice from all trustees of the Revocable Trust and from Grantor.

19. **Acceptance by Trustee.** Trustee accepts this Trust when this Unison HomeOwner Security Instrument, duly executed and acknowledged, is made a public record as provided by law.

20. **Incorporation by Reference.** SCHEDULE A to this Unison HomeOwner Security Instrument is hereby incorporated by this reference.

21. **Extent of Lien.** The lien granted under this Unison HomeOwner Security Instrument shall encumber Grantor's entire interest in the Property, notwithstanding the fact that the Unison HomeOwner Agreement relates to only a fractional interest in the Property.

22. **Use of Property.** The Property is not used principally for agricultural purposes.

23. **No Merger.** So long as any of the obligations under the Unison HomeOwner Agreement remains outstanding and undischarged, unless Beneficiary otherwise consents in writing, the fee estate of Grantor in the Property or any part thereof (including the estate of Beneficiary after exercising the Option) will not merge, by operation of law or otherwise, with any other estate in the Property or any part of it, but will always remain separate and distinct, notwithstanding the union of the fee estate and such other estate in Beneficiary or in any other Person.

Do not lose or destroy this Unison HomeOwner Security Instrument or the Unison HomeOwner Agreement that it secures. All must be delivered to Trustee for cancellation before reconveyance will be made.

[Signatures appear on the following page.]

READ THIS DOCUMENT CAREFULLY BEFORE SIGNING IT. ALL PRIOR ORAL, ELECTRONIC AND WRITTEN COMMUNICATIONS AND AGREEMENTS FROM OR WITH BENEFICIARY, INCLUDING ALL CORRESPONDENCE, OFFER LETTERS, TERM SHEETS, PRINTED MATERIALS, DISCLOSURES, AND THE PROGRAM GUIDE, ARE MERGED INTO AND SUPERSEDED AND REPLACED BY THIS UNISON HOMEOWNER SECURITY INSTRUMENT, THE UNISON HOMEOWNER AGREEMENT AND TRANSACTION DOCUMENTS, AND THE OTHER WRITTEN AGREEMENTS MADE BY AND BETWEEN OWNER AND BENEFICIARY AS OF THE EFFECTIVE DATE.

The undersigned Grantor requests that a copy of any Notice of Default and any Notice of Sale under this Unison Homeowner Security Instrument be mailed to Grantor at the address set forth below.

IN WITNESS WHEREOF, each undersigned Grantor has executed this Security Instrument as of the date set forth above.

Grantor Address:

853 Panorama Rdg
Mount Vernon, WA 98273

By: *Timothy L Guess*
Timothy L Guess

Date signed: 02/14/2018

By: *Kyong S Guess*
Kyong S Guess

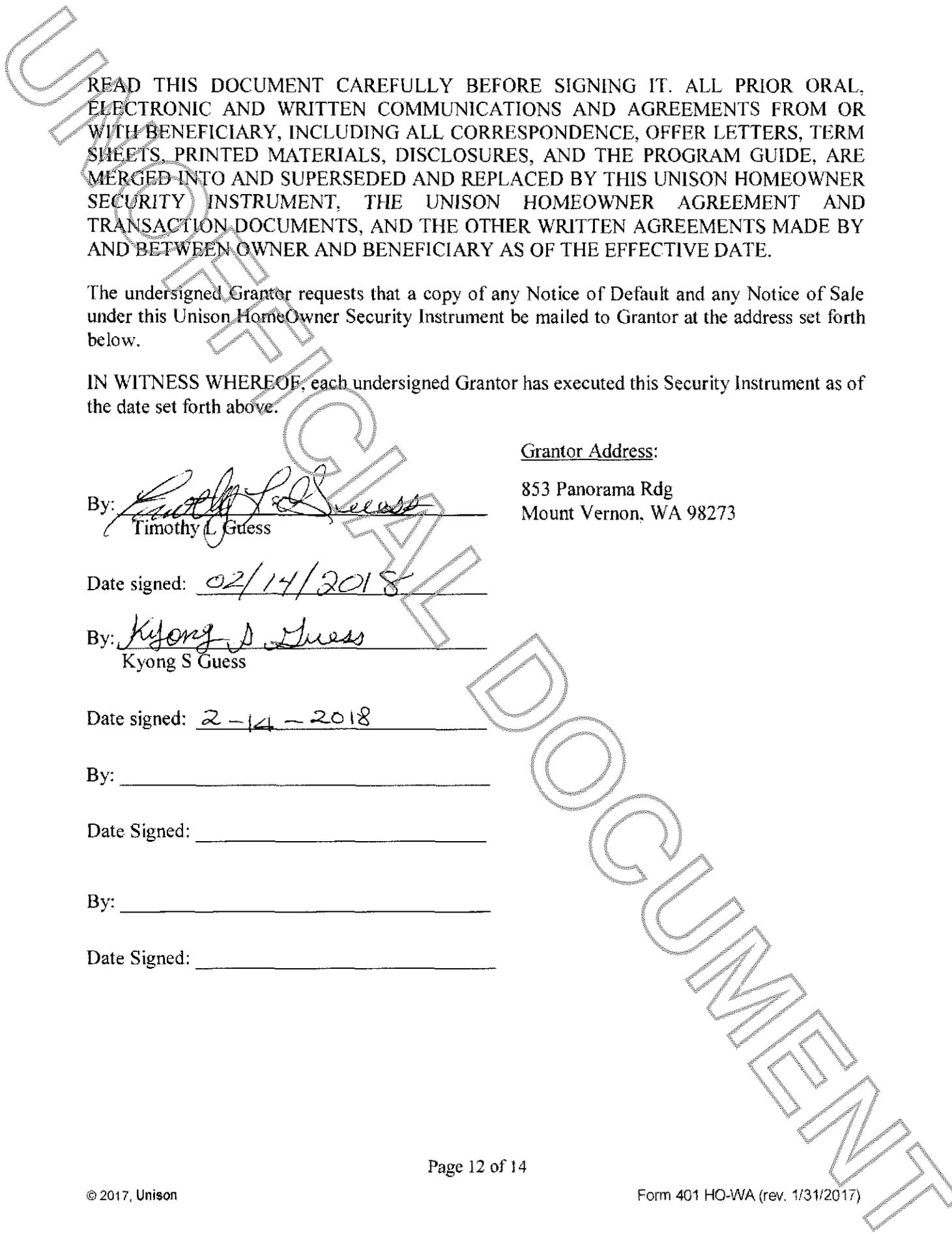
Date signed: 2-14-2018

By: _____

Date Signed: _____

By: _____

Date Signed: _____



ACKNOWLEDGEMENT

STATE OF WASHINGTON)

) SS.

COUNTY OF Ska g t

On 14 this day personally appeared before me Lourea L Garka
Timothy L Guess / Kyong S Guess to me known to be the individual(s) described in and who
executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as
his/hers/their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 14 day of February, 2018.

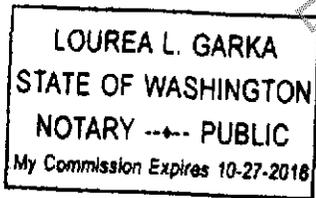
Lourea L Garka

NOTARY PUBLIC in and for the State of Washington,

residing at Arlington

My appointment expires 10/27/2018

Lourea L Garka
Name



SCHEDULE A

LEGAL DESCRIPTION

That certain real property situated in the City of Mount Vernon, County of Skagit, State of Washington, described as follows:

THE FOLLOWING DESCRIBED REAL ESTATE, SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON
LOT 357, PLAT OF SKAGIT HIGHLANDS DIVISION V (PHASE 2), ACCORDING TO THE PLAT THEREOF RECORDED ON JANUARY 17, 2008 UNDER AUDITOR'S FILE NO. 200801170047, RECORDS OF SKAGIT COUNTY, WASHINGTON.
SUBJECT TO ALL EASEMENTS, RESTRICTIONS, RESERVATIONS, CONDITIONS COVENANTS AND AGREEMENTS OF RECORD, IF ANY.

APN: P127292

[end of legal description]

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 02/13/2018 ("**Effective Date**") and is incorporated into and shall be deemed to amend and supplement the Unison HomeOwner Security Instrument (the "**Security Instrument**") of the same date, given by the undersigned Owner (the "**Owner**") to secure Owner's obligations under that certain Unison HomeOwner Agreement made by and between Owner and Unison Agreement Corp., its successors and assigns ("**Investor**") of the same date and covering the Property described in the Security Instrument and located at:

853 Panorama Rdg, Mount Vernon, WA 98273

[Property Address]

The property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in

_____ (the "**Declaration**"). The Property is a part of a planned unit development known as

Skagit Highlands

[Name of Planned Unit Development]

(the "**PUD**"). The Property also includes Owner's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "**Owners Association**") and the uses, benefits and proceeds of Owner's interest.

PUD COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Owner and Investor further covenant and agree as follows:

A. **PUD Obligations.** Owner shall perform all of Owner's obligations under the PUD's **Constituent Documents**. The "**Constituent Documents**" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Owner shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. **Property Insurance.** So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Investor and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, for which Investor requires insurance, then: Owner's obligation under the Unison HomeOwner Agreement to maintain property insurance coverage on the Property is deemed satisfied to the extent that the

required coverage is provided by the Owners Association policy.

What Investor requires as a condition of this waiver can change during the term of the Unison HomeOwner Agreement.

Owner shall give Investor prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Owner are hereby assigned and shall be paid to Investor. Investor shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Owner.

C. Public Liability Insurance. Owner shall take such actions as may be reasonable to ensure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Investor.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Owner in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Investor. Such proceeds shall be applied by Investor as provided in the Unison HomeOwner Agreement (Unison HomeOwner Covenant Agreement Section 8.17).

E. Investor's Prior Consent. Owner shall not, except after notice to Investor and with Investor's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is not for the express benefit of Investor; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Investor.

F. Remedies. If Owner does not pay PUD dues and assessments when due, then Investor may pay them. Any amounts disbursed by Investor under this paragraph F shall become Protective Advances made by Investor on behalf of Owner as defined under and subject to the terms of the Unison HomeOwner Agreement and shall be secured by the Security Instrument.

BY SIGNING BELOW, Owner accepts and agrees to the terms and covenants contained in this PUD Rider.

OWNER(S):

By: Timothy L Guess
Timothy L Guess

2/14/2018
Date Signed

By: _____

Date Signed

By: Kyong S Guess
Kyong S Guess

2-14-2018
Date Signed

By: _____

Date Signed