

This Space Provided for Recorder's Use

Land Title and Escrow  
When Recorded: 07/08/2021Reverse Mortgage Funding LLC  
3001 Technology Drive Attn: Team RMF  
Edmond, OK 73013**REVERSE MORTGAGE DEED OF TRUST****This deed of trust secures a  
reverse mortgage loan**Grantor(s): **THEODORE P KRUPA AND BONNIE L KRUPA, A MARRIED COUPLE**  
Grantee(s): **Reverse Mortgage Funding LLC, Beneficiary**  
**LAND TITLE & ESCROW OF SKAGIT & ISLAND COUNTY, Trustee**

Abbreviated Legal Description:

Full legal description on Page 3

Assessor's Property Tax Parcel or Account No.: **Unit 2, Mount Bay Vista Condo.**  
4911-000-002-0000**P125594**Bay Equity LLC  
Company - NMLS #: 76988 - Loan Number: 71321055859Loan Originator: Dean Hayes  
Loan Originator NMLS #: 114235  
ULI:*Washington Equity Elite Fixed Rate Reverse Mortgage Security  
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Prepared by:  
Maria Villanueva  
1455 Broad Street 2nd Floor,  
Bloomfield, NJ 07003

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State of Washington

MERS MIN: 101222113210558598

## REVERSE MORTGAGE DEED OF TRUST

This deed of trust secures a reverse mortgage loan

THIS DEED OF TRUST ("Security Instrument") is made on July 01, 2021. The grantor is THEODORE P KRUPA AND BONNIE L KRUPA, A MARRIED COUPLE, whose address is 1416 34TH STREET #2, ANACORTES, WA 98221 ("Borrower"). The trustee is LAND TITLE & ESCROW OF SKAGIT & ISLAND COUNTY whose address is 111 E GEORGE HOPPER ROAD PO BOX 445, BURLINGTON, WA 98233 ("Trustee"). The beneficiary is Reverse Mortgage Funding LLC, which is organized and existing under the laws of DELAWARE, and whose address is 1455 Broad Street, 2nd Floor, Bloomfield, NJ 07003 ("Lender"). The term "Lender" includes any successors and assigns of Lender. The Nominee for Lender is Mortgage Electronic Registration Systems, Inc. ("MERS"). MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is organized and existing under the laws of Delaware, and whose address and telephone number is P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS. Borrower has agreed to repay to Lender amounts advanced or to be advanced by Lender, including future advances, under the terms of this Security Instrument and Borrower's Fixed Rate Reverse Mortgage Loan Note dated the same date as this Security Instrument ("Note"). Borrower's agreement to repay is evidenced by the Note. Capitalized terms not defined in this Security Instrument shall have the meaning ascribed to them in the Note.

This Security Instrument secures to Lender: (a) repayment of the debt evidenced by the Note, including addenda, all future advances, with interest, and all renewals, replacements, extensions and modifications of the Note up to a maximum principal amount of Six Hundred Seventy-Five Thousand and 00/100 Dollars (U.S.\$675,000.00), plus all accrued interest thereon; (b) the payment of all other amounts, with interest, advanced under the Note, including addenda, and this Security Instrument, including riders, to protect the security of this Security Instrument; and (c) the performance of Borrower's obligations and agreements under the Loan Documents. This Security Instrument shall remain in full force and effect notwithstanding any zero outstanding balance on the debt from time to time and

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the lien of this Security Instrument shall not be released except when the property is reconveyed. The full debt, including amounts described in (a), (b), and (c) above, if not due earlier, is due and payable on **July 01, 2104**. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in **Skagit County, Washington**, which has the address of **1416 34TH STREET #2, ANACORTES, WA 98221** ("Property Address"), and is more fully described on Exhibit A attached to this Security Instrument, and incorporated herein.

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."

Lender, as the beneficiary under this Security Instrument, designates and appoints MERS as the Nominee for Lender. "Nominee" means one designated to act for another as its representative and agent for a limited purpose. Any notice required by Applicable Law or this Security Instrument to be served on Lender must be served on MERS as the designated Nominee for Lender. Borrower understands and agrees that MERS, as designated Nominee for Lender, has the right to exercise any or all interests granted by Borrower to Lender, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, assigning, reconveying and releasing this Security Instrument, and substituting a successor trustee. The express inclusion of MERS as a party that can exercise the rights of Lender described in this Security Instrument shall not be construed to mean that MERS cannot exercise Lender's other rights under this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and have 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.

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.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay, or cause to be paid, to Lender the principal of the debt evidenced by the Note, all interest thereon, and all other amounts due under the Loan Documents.
2. **Negative Amortization and Compounding of Interest.** Since regular periodic payments of principal and interest by Borrower to Lender are not required under the Note and the finance charges that accrue, as well as the monthly servicing fees and other amounts that Borrower may owe under the Note, are added to the Loan Balance, and in turn shall accrue interest thereon at the rate specified in the Note, "negative amortization" and the compounding of interest shall occur. Negative amortization and the compounding of interest shall increase the amount that Borrower owe to Lender and reduce Borrower's equity in the Property.
3. **Payment of Association Charges and Property Charges.** Borrower shall pay all Association Charges, if any, in a timely manner until the debt evidenced by the Note is paid in full. After the Property Charges Set Aside Termination Date or if a Property Charges Set Aside has not been established or if the Property Charges Set Aside is insufficient to pay for the Property Charges, Borrower shall pay all Property Charges in a timely manner until the debt evidenced by the Note is paid in full. Borrower shall pay these obligations on time and out of Borrower's own

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funds directly to the person or entity owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Paragraph 3 and all receipts evidencing these payments. Lender may require Borrower to pay a charge for an independent real estate tax reporting and/or verification service used by Lender in connection with the Loan, unless Applicable Law provides otherwise.

**4. Hazard Insurance.** Borrower shall keep the improvements now existing or erected in the future on the Property insured against loss by fire, hazards included within the terms "extended coverage" and "all risk", and any other hazards, including wind, hail, floods and earthquakes, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld.

Lender may require Borrower to pay, in connection with the Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

All insurance policies and renewals must be acceptable to Lender and include a standard mortgagee clause naming Lender as mortgagee and as an additional loss payee. Lender has the right to hold the policies and renewal certificates. Borrower shall promptly give Lender all receipts for paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and to Lender. Lender may submit proof of loss if Borrower does not do so promptly. Each insurance company concerned is hereby authorized and directed to make payment for such loss to Lender, instead of to Borrower and Lender jointly. Borrower hereby authorizes Lender to contact the insurance carrier to verify the coverage and to ensure that Lender are named as loss payee under a standard mortgagee clause. In the event that Lender are not so named, Borrower authorizes Lender to instruct the insurance carrier to so name Lender.

If Borrower fails to maintain the coverage described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense, to protect Lender's rights in the Property in accordance with Paragraph 6. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts Lender disburses under this Paragraph 4 shall become additional debt secured by this Security Instrument.

Insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restore or repair the damaged Property, if (a) the restoration or repair is economically feasible within a reasonable period of time, (b) Borrower is willing and able to repair or restore the Property as necessary within a reasonable period of time, and (c) the value of Lender's security would not be lessened. During such repair and restoration period, Lender

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shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. If the foregoing requirements are not all met, Lender may, at Lender's option, use the insurance proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not they are then due, with any excess paid to Borrower, unless Applicable Law provides otherwise.

Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within thirty (30) days to a notice from Lender that the insurance carrier has offered to settle a claim, Lender may negotiate and settle the claim and collect the insurance proceeds and use them to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not they are then due. The thirty (30)-day period shall begin when the notice is given. The provisions of this Paragraph 4 relating to the application of insurance proceeds shall apply only to the extent permitted by Applicable Law.

If under this Security Instrument Lender acquires the Property, Borrower's right to any insurance policies and proceeds resulting from damage to the Property before Lender acquires it shall pass to Lender to the extent permitted by Applicable Law.

**5. Occupancy; Certification; Preservation, Maintenance and Protection of Property; Borrower's Representations.** Borrower shall at all times occupy, establish, and use the Property as Borrower's Principal Residence. Notwithstanding the foregoing, if the Loan is a purchase money transaction, Borrower shall occupy, establish, and use the Property as Borrower's Principal Residence within sixty (60) days after the execution of this Security Instrument and shall at all times thereafter occupy, establish, and use the Property as Borrower's Principal Residence.

Borrower understands that Borrower must complete and provide to Lender on a periodic basis, no less than annually, a certification, in a form prescribed by Lender, stating whether the Property continues to be Borrower's Principal Residence. If Borrower fails to do so, Borrower shall be in default under this Security Instrument.

Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall cultivate, irrigate, fertilize, fumigate, prune and do all other acts, which from the character or use of the Property may be reasonably necessary to maintain its condition as required by the Note and this Security Instrument.

Borrower understands that Borrower shall be in default under this Security Instrument if any forfeiture action or other proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure this default and reinstate, as provided in Paragraph 12, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower understands that Borrower shall also be in default if Borrower gave materially

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false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the Loan, including, but not limited to, representations during the application process and concerning Borrower's occupancy of the Property as a Principal Residence.

**6. Protection of Lender's Rights in Property.** After the Property Charges Set Aside Termination Date or if a Property Charges Set Aside has not been established or if the Property Charges Set Aside is insufficient to pay for the Property Charges, if Borrower fails to pay the property charges and assessments required by Paragraph 3, or if Borrower fails to pay all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowner's association or similar organization (if any), or if Borrower 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, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include, without limitation, paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying real estate taxes, hazard insurance premiums and other items mentioned in Paragraph 3, paying reasonable attorneys' fees, assessing the value of the property and entering on the Property to make repairs. 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 without notice to Borrower. Although Lender may take such actions under this Paragraph 6, Lender is not required to do so.

Any amounts disbursed by Lender under this Paragraph 6 shall be added to the Loan Balance and secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the interest rate provided by the Note and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

**7. Grounds for Acceleration of Debt.**

**7.1** Due and Payable. All sums secured by this Security Instrument shall be immediately due and payable if:

- (a) Borrower dies and the Property is not the Principal Residence of at least one surviving Borrower;
- (b) Borrower voluntarily or involuntarily sells or conveys all or any part of Borrower's title to the Property, unless the sale or conveyance is to one or more of the original Borrowers who signed the Note and continue to occupy the Property as a Principal Residence and retain title to the Property (i) in fee simple, (ii) a life estate, or (iii) a beneficial interest in a trust owning all or part of the Property;
- (c) The Property ceases to be Borrower's Principal Residence and the Property is not then the Principal Residence of at least one other Borrower; Provided, however, that neither temporary absences of Borrower from the Property not exceeding one hundred eighty (180) consecutive days nor temporary absences of Borrower from the Property exceeding one hundred eighty-one (181) consecutive days, but less than one year, if Borrower notifies Lender of Borrower's absence and makes arrangements to secure and protect the Property in a manner satisfactory to Lender, shall cause the sums secured by this Security Instrument to become due and payable; or

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- (d) For a period of longer than twelve (12) consecutive months, a Borrower fails to occupy the Property because of physical or mental illness and the Property is not the Principal Residence of at least one other Borrower.

**7.2 Other Grounds.** Lender may, at Lender's option, require immediate payment in full of all sums secured by this Security Instrument if any of Borrower's obligations under this Security Instrument are not performed or if Borrower otherwise breaches any term or covenant of the Loan Documents.

**7.3 Repayment Notice.** If one or more of the events in Paragraph 7.1(b) - (d) occur, Lender shall give Borrower a notice in accordance with Paragraph 15 and Applicable Law that all sums due under the Note and secured by this Security Instrument are immediately due and payable. If Borrower fails to pay these sums immediately upon receipt of the notice, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower. If Lender elects to exercise Lender's option under Paragraph 7.2, Lender shall give Borrower notice of default and opportunity to cure pursuant to Paragraph 24.

**7.4 Trusts.** A conveyance of Borrower's interest in the Property to a trust in which Borrower is the beneficiary, or a conveyance of a trustee's interest in the Property to at least one of the original Borrowers, provided the trust meets Lender's requirements, shall not be considered a conveyance for purposes of Paragraph 7.1(b).

## **8. Lien Status.**

**8.1 Modification.** Borrower agrees to extend this Security Instrument in accordance with this Paragraph 8.1. If Lender determines that the original lien status of the Security Instrument is jeopardized under Applicable Law (including but not limited to situations in which the amount secured by this Security Instrument equals or exceeds the maximum principal amount stated or the maximum period under which Loan Advances retain the same lien priority initially granted to Loan Advances has expired or otherwise prevents Lender from making Loan Advances secured by the first lien of this Security Instrument) and Applicable Law permits the original lien status to be maintained for future Loan Advances through the execution and recordation of one or more documents, then Lender shall obtain title evidence at Borrower's expense. If the title evidence indicates that the Property is not encumbered by any liens (except this Security Instrument, and any subordinate liens that the Lender determines shall also be subordinate to any future Loan Advances), Lender shall request Borrower to execute any documents necessary to protect the lien status of future Loan Advances. Borrower agrees to execute such documents. If the Applicable Law does not permit the original lien status to be extended to future Loan Advances, Borrower shall be deemed to have failed to have performed an obligation under this Security Instrument.

**8.2 Prior Liens.** 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 Lender's opinion operates to prevent the enforcement of the lien or forfeiture of any part of the Property; 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

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lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within ten (10) days of the giving of that notice.

8.3 **Future Liens.** Unless Lender expressly consent in writing, making specific reference to the lien and the lienor, Borrower covenants as part of this transaction not to place or grant a lien on the Property that is subsequent or subordinate to Lender's lien under this Security Instrument.

8.4 **Tax Deferral Programs.** Borrower shall not participate in a real estate tax deferral program, if any liens created by the tax deferral are not subordinate to this Security Instrument.

9. **Condemnation of the Property.** Borrower hereby assigns to Lender 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 lieu of condemnation, and the same are to be paid to Lender. In the event of a total or partial taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower, unless Applicable Law provides otherwise. The provisions of this Paragraph 9 relating to the application of condemnation proceeds shall apply only to the extent permitted by Applicable Law.

If Borrower abandons the Property or if, after Lender notify Borrower that the condemner has offered to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days after the date the notice is given, Lender are authorized to collect and apply the proceeds, at Lender's option, either to restore or repair the Property or to the amounts secured by this Security Instrument, whether or not they are then due.

10. **Inspection.** Lender or its agent may enter on, inspect or make appraisals of the Property in a reasonable manner and at reasonable times provided that Lender shall give Borrower notice prior to any inspection or appraisal specifying a purpose for the inspection or appraisal which must be related to Lender's interest in 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 without notice to Borrower.

11. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on, in, or from the Property. The preceding sentence does 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 not do, nor allow anyone else to do, nor is Borrower aware of, anything affecting the Property that is in violation of any Environmental Law.

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 Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this Paragraph 11, "Hazardous Substances" means hazardous wastes, hazardous substances, toxic substances, hazardous air pollutants, pesticides, contaminants or other pollutants as those terms are used in any Environmental Law, and the following substances: gasoline, diesel fuel, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or

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formaldehyde, and radioactive materials. As used in this Paragraph 11, "Environmental Law" means federal laws and laws of the jurisdiction in which the Property is located that relate to health, safety or environmental protection.

12. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to reinstate the Loan and to have enforcement of this Security Instrument discontinued at any time prior to the earlier of eleven (11) days (or such other period as Applicable Law may specify for the termination of Borrower's right to reinstate) before the sale of the Property pursuant to any power of sale contained in this Security Instrument, or entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) cures any default of any covenant or agreement in this Security Instrument; (b) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, or in lieu of payment, Lender may in its sole discretion, add such expenses to the Loan Balance; and (c) take such action as Lender may reasonably require to assure that the that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall only apply in the case of acceleration under Paragraph 7.2. Lender is not required to permit reinstatement if: (a) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two (2) years immediately preceding the commencement of a current foreclosure proceeding; (b) reinstatement shall preclude foreclosure on different grounds in the future; or (c) reinstatement shall adversely affect the priority of this Security Instrument. The provisions of this Paragraph 12 relating to Borrower's right to reinstate the Loan shall apply only to the extent permitted by Applicable Law.

13. **Loan Charges.** If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits shall be, at Lender's election, refunded to Borrower or applied to reduce the principal owed under the Note.

14. **Future Advances.** In addition to any other debt or obligation secured by this Security Instrument, this Security Instrument secures all future advances occurring under the terms of the Note and this Security Instrument to the same extent as if such future advances were made on the date this Security Instrument was recorded, irrespective of the date of any such future advance. Lender's responsibility to make Loan Advances under the terms of the Note, including making Loan Advances of principal to Borrower or on Borrower's behalf, if required by the Note, as well as Loan Advances for interest, servicing fees, and other charges made by Lender under the Note, shall be obligatory. Advances made at Lender's discretion under Paragraph 6 of this Security Instrument to protect the value of the Property and Lender's rights in the Property shall not be deemed obligatory, however, Lender may make such payments when necessary, and reimbursement of such expenditures is secured by this Security Instrument with the same priority as if such payments had been disbursed on the date this Security Instrument was recorded.

15. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. 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

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the Property Address or any other address all Borrowers jointly designate as a substitute notice address. If Lender specifies a procedure for reporting certain information, such as occupancy, then Borrower shall only report that information through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. 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 unless Applicable Law requires use of another method. Any notice to a non-borrowing owner, or a non-borrowing spouse (if any) if required by Applicable Law, 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. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement shall satisfy the corresponding requirement under this Security Instrument. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower, Lender or a non-borrowing owner, or a non-borrowing spouse if required by Applicable Law, if any, when given as provided in this Paragraph 15. Borrower acknowledges that any notice Borrower provides to Lender must also be provided to MERS as Nominee for Lender until MERS' Nominee interest is terminated. Any notice provided by Borrower in connection with this Security Instrument shall not be deemed to have been given to MERS until actually received by MERS.

**16. Sale of Note; Change of Loan Servicer.** The Note or a partial interest in the Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity that administers the Loan and performs other mortgage loan servicing obligations under the Note, this Security Instrument and Applicable Law (known as the "Loan Servicer"). There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower shall be given written notice of the change in accordance with Paragraph 15 and Applicable Law. The notice shall state the name and address of the new Loan Servicer and the address to which inquiries should be made. The notice shall also contain any other information required by Applicable Law.

**17. Forbearance by Lender Not a Waiver.** Any waiver or forbearance by Lender in exercising any right or remedy under the Note or this Security Instrument shall not be a waiver of or preclude the exercise of any right or remedy by Lender at a future date.

**18. Non-Recourse Liability.** Lender may enforce the obligations under the Note and this Security Instrument solely against the Property. Borrower shall have no personal liability for payment of the amounts due under the Note or this Security Instrument, nor may Lender pursue Borrower for any deficiency. This Paragraph 18 shall not impair in any way the lien of this Security Instrument or Lender's rights to collect all sums due under the Note and this Security Instrument or prejudice Lender's rights as to any covenants or conditions of the Note or this Security Instrument.

**19. Successors and Assigns Bound.** The covenants and agreements of this Security Instrument shall bind and benefit Lender's successors and assigns. Borrower may not assign any of Borrower's rights or obligations under the Note or this Security Instrument, except to a trust in which Borrower is the beneficiary and that meets Lender's requirements.

**20. Joint and Several Liability; Co-signers.** Borrower covenants and agreements shall be joint and several. Any trustor who cosigns this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to grant and convey that trustor'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

Bay Equity LLC  
Company - NMLS #: 76988 - Loan Number: 71321055859

Loan Originator: Dean Hayes  
Loan Originator NMLS #: 114235  
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Lender and 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 trustor's consent. Notwithstanding anything to the contrary herein, upon the death of the last surviving Borrower, Borrower's successors and assigns shall be bound to perform Borrower's obligations under this Security Instrument.

21. **Governing Law; Severability.** This Security Instrument shall be governed by applicable federal law and the law of the jurisdiction in which the Property is located, except where preempted by federal law. 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.

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

23. **Third-Party Beneficiary.** This Security Instrument does not and is not intended to confer any rights or remedies upon any person other than the parties.

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

24. **Acceleration; Remedies.** If one or more of the events in Paragraph 7.1 or Paragraph 7.2 occur, Lender may invoke the power of sale and/or any other remedies permitted by Applicable Law. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Paragraph 7.1 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than thirty (30) days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property at public auction at a date not less than one hundred and twenty (120) days in the future. The notice shall further inform Borrower of the right to reinstate after acceleration the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale, and any other matters required to be included in the notice by Applicable Law. If the default is not cured on or before the date specified in the notice, Lender at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and/or any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Paragraph 24, 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.

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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.

25. **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 to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs and the Trustee's fee for preparing the reconveyance.

26. **Substitute Trustee.** In accordance with Applicable Law, Lender or MERS 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.

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

28. **Attorneys' Fees.** Lender shall be entitled to recover its reasonable attorneys' fees and costs in any action or proceeding to construe or enforce any term of this Security Instrument. The term "attorneys' fees," whenever used in this Security Instrument, shall include without limitation attorneys' fees incurred by Lender in any bankruptcy proceeding or on appeal.

29. **Borrower's Right to Cure Default; Reinstatement Period.** Notwithstanding Lender's acceleration of the sums secured by this Security Instrument, Borrower's right to reinstate the loan under Paragraph 12 of this Security Instrument shall apply to any default of the obligation under this Security Instrument that is capable of being cured by tendering the performance as provided in Paragraph 12 of this Security Instrument. The reinstatement period that will be provided to the Borrower pursuant to the first sentence of Paragraph 12 of this Security Instrument shall be eleven (11) days before the date set for the sale of the Property, or such other number of days as is prescribed by Washington law.

30. **Nominee Capacity of MERS.** MERS is appointed as the Nominee for Lender to exercise the rights, duties and obligations of Lender as Lender may from time to time direct, including but not limited to appointing a successor trustee, assigning, reconveying or releasing, in whole or in part this Security Instrument, foreclosing or directing Trustee to institute foreclosure of this Security Instrument, or taking such other actions as Lender may deem necessary or appropriate under this Security Instrument. Lender acknowledges that until it directs MERS to assign MERS's Nominee interest in this Security Instrument, MERS remains the Nominee for Lender, with the authority to exercise the rights of Lender. The term "MERS" includes any successors and assigns of MERS. This appointment shall inure to and bind MERS, its successors and assigns, as well as Lender, until MERS' Nominee interest is terminated.

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31. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the warranties and agreements 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 part of this Security Instrument. [Check applicable box(es)]:

<input checked="" type="checkbox"/>	Condominium Rider		PUD Rider
	Other		1-4 Family Rider

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

*Theodore P. Krupa*  
THEODORE P KRUPA (Borrower)

*Bonnie L. Krupa*  
BONNIE L KRUPA (Borrower)

*July 1, 2021*  
Date

*July 1, 2021*  
Date

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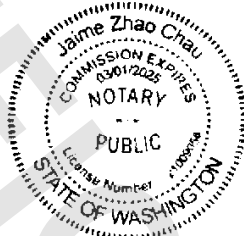
-----[Space Below This Line For Acknowledgment]-----

STATE OF WASHINGTON

COUNTY OF: SnohomishThis record was acknowledged before me on July 01, 2021 by THEODORE P KRUPA and BONNIE L KRUPA.

 (Name Zhao Chau)  
 (Signature of Notary Public)

(Stamp)



Notary Public  
 (Title of office)  
 My commission expires:  
March 1, 2025  
 Date

**Loan Originator Organization**

Mortgage Loan Originator Organization: Bay Equity LLC  
 Nationwide Mortgage Licensing System and Registry Identification Number: 76988

**Individual Loan Originator**

Mortgage Loan Originator: Dean Hayes  
 Nationwide Mortgage Licensing System and Registry Identification Number: 114235

Bay Equity LLC  
 Company - NMLS # 76988 - Loan Number 71321055859

Loan Originator: Dean Hayes  
 Loan Originator NMLS # 114235  
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**Exhibit A**

Exhibit A to the Security Instrument made on July 01, 2021, by **THEODORE P KRUPA AND BONNIE L KRUPA, A MARRIED COUPLE** ("Borrower") to **Reverse Mortgage Funding LLC** ("Lender"). The Property is located in **Skagit County, Washington**, described as follows:

Legal Description of Property:

SEE ATTACHED EXHIBIT "A"

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Bay Equity LLC  
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**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Unit 2, "MOUNT BAY VISTA CONDOMINIUM," as per Survey Map and Set of Plans recorded December 18, 2006, under Auditor's File No. 200612180152, and Condominium Declaration as recorded December 18, 2006, under Auditor's File No. 200612180153, records of Skagit County, Washington.

Situate in the City of Anacortes, County of Skagit, State of Washington.

A.P.N.: 4911-000-002-0000, (Prop ID 125594)



**CONDOMINIUM RIDER**

71321055859

MIN Number: 101222113210558598

THIS CONDOMINIUM RIDER is made on **July 01, 2021**, and is incorporated into and shall be deemed to amend and supplement the mortgage, deed of trust, or security deed ("Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Fixed Rate Reverse Mortgage Loan Note ("Note") to **Reverse Mortgage Funding LLC** ("Lender") of the same date and covering the Property described in the Security Instrument and located at:

**1416 34TH STREET #2, ANACORTES, WA 98221**

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

**MOUNT BAY VISTA**  
[Name of Condominium Project]

("Condominium Project"). If the owners association or other entity which acts for the Condominium Project ("Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

Terms not defined in this Condominium Rider shall have the meaning ascribed to them in the Loan Documents.

**CONDOMINIUM COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

1. **Condominium Obligations.** Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

2. **Property Insurance.** So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender 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, wind, hail, earthquakes and floods, from which Lender requires insurance, then Borrower's obligations under Paragraph 4 of the Security Instrument to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage and any loss occurring from a hazard.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower, unless Applicable Law provides otherwise.

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3. **Public Liability Insurance.** Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

4. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Paragraph 9 of the Security Instrument.

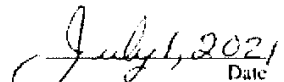
5. **Lender's Prior Consent.** Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the 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 for the express benefit of Lender; (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 Lender.

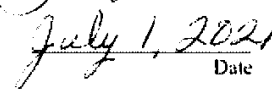
6. **Remedies.** If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this Paragraph 6 shall become additional debt of Borrower secured by the Security Instrument. Unless Lender and Borrower agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate provided in the Note.

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

  
THEODORE P KRUPA (Borrower)

  
BONNIE L KRUPA (Borrower)

  
Date

  
Date

Bay Equity LLC  
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