

When Recorded Return to:

Washington State Department of Community,
Trade and Economic Development
Housing Trust Fund
P.O. Box 42525
Olympia, WA 98504-2525

Attention: Bonnie L. Scott, 360 725-2940

56027233

ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT

Grantor (Assignor): Columbia Cascade Housing Corporation
Grantee (Assignee): Hamilton Park Limited Partnership
Beneficiary (Lender): Department of Community, Trade and Economic Development
Legal Description (abbrev): Lots C-49 and C-50, Third Addition to Plats of the Relocated Town of North Bonneville, State of Washington

Assessor's Property Tax Parcel Number(s): 02-07-29-2-2-2600-00 and 02-07-29-2-2-2700-00

Contract Number of Documents Assigned: 04-49300-084

THIS ASSIGNMENT, ASSUMPTION AND CONSENT AGREEMENT ("Assumption Agreement") is entered into as of this 1st day of September, 2004, by and among Columbia Cascade Housing Corporation, an Oregon non-profit corporation with its principal offices at 312 Court Street, Suite 419, The Dalles, Oregon 97058 (hereinafter called "Assignor"), Hamilton Park Limited Partnership, a Washington limited partnership, whose mailing address is 312 Court Street, Suite 419, The Dalles, Oregon 97058 (hereinafter called "Assignee"), and the Department of Community, Trade and Economic Development, whose address is 906 Columbia Street, P.O. Box 42525, Olympia, Washington 98504-2525 (hereinafter called "Lender").

WHEREAS, Assignor and Lender are parties to that certain Housing Trust Fund Contract Number 04-49300-084 dated as of August, 27, 2004 whereby Lender has agreed to loan Assignor Nine Hundred Thousand Dollars \$900,000 (the "Contract");

WHEREAS, Assignor executed a Promissory Note (the "Note") dated this 27th day of August, 2004 to pay Lender or the holder of the Note the principal sum of Nine Hundred Thousand Dollars (\$900,000);

WHEREAS, on this 31st day of August, 2004, to secure payment of the Note, Assignee executed a Deed of Trust (the "Deed of Trust") naming the Lender as the Beneficiary, which Deed of Trust was recorded under Skamania County Auditor's Number 2004155551 and concerned real property (the "Property") located in Skamania County, Washington described as follows:

Lots C-49 and C-50, third (3rd) addition to plats of the relocated town of North Bonneville, Block 10, recorded in Book "B" of plats, page 34 and 35, under Skamania County File No. 85402, Records of Skamania County, Washington

WHEREAS, Assignor wishes to assign to Assignee and to have Assignee assume all of Assignor's rights and obligations under the Contract and the Note and Assignee is willing to assume all of said obligations of Assignor thereunder; and

WHEREAS, Assignor seeks the consent of Lender to the assignment and assumption of the Contract and the Note as set forth herein, and Lender is willing to grant such consent on the terms and conditions set forth herein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment. Assignor hereby sells, transfers, assigns, grants, and conveys to Assignee all of its right, title, obligations and interest existing as of this date in and under the Contract and the Note.

2. Assumption. Assignee hereby expressly assumes and agrees to make punctual payment when due (whether on the stated dates, by acceleration or otherwise) of the principal of and interest on the Note, as set forth in the Contract and the Note. Assignee further assumes all other obligations of Assignor under the Contract and the Note subject to the nonrecourse provisions therein. Assignee hereby expressly assumes and agrees to perform, observe and confirm all the covenants, agreements, terms, conditions, obligations, duties and liabilities of Assignor under the Contract and the Note, and any other documents or instruments executed and delivered or furnished by Assignor in connection therewith.

3. Consent. Lender hereby consents to the foregoing assignment and assumption of the Assignor's obligations under the Contract and the Note pursuant to the terms and conditions set forth herein, provided, however, that the Assignor is not released from such obligations on account of such consent.

4. Representations and Warranties of Assignee. In order to induce Lender to consent to the assignment and assumption provided for herein, Assignor hereby represents to Lender that:

- (a) Assignee is a limited partnership duly organized and validly existing under the laws of the State of Washington.
- (b) Assignee has the full right, power and authority to conduct all of the activities which are now conducted by it or proposed to be conducted as contemplated by the Contract, to execute, deliver and perform under this Assumption Agreement, and to assume the obligations of Assignor and to fulfill its duties under the Contract. The general partner of Assignee has full right, power and authority to execute and deliver this Agreement on behalf of Assignee.
- (c) There is no action, suit or proceeding or any investigation pending or, to the best of Assignee's knowledge, threatened against or affecting Assignee or its general partner at law or in equity in any court or by any federal, state, municipal or other governmental authority, department, commission, board, agency or other governmental instrumentality which is likely to have an adverse effect on Assignee's ability to assume the obligations and to fulfill the duties of Assignor under the Contract.
- (d) Neither Assignee nor its general partner is in default or alleged to be in default with respect to any judgment, order, writ, injunction or decree or in breach or alleged to be in breach or default under any material lease, contract, agreement, commitment, instrument or obligation to which it is a party or by which it or its property is bound; and to the best of Assignee's knowledge, there is no state of facts which is likely to create or cause a default or breach under any such material lease, contract, agreement, commitment, instrument or obligation.

- (e) To the best of Assignee's knowledge and belief, Assignee has complied in all material respects with all federal, state and local laws, regulations and orders applicable to the ownership of its properties and the conduct of its operations.
- (f) To the best of Assignee's knowledge and belief, Assignee has taken all partnership and other action, and the general partner has taken all corporate and other action, necessary to authorize the execution and delivery of this Assumption Agreement, and this Assumption Agreement is a valid and binding obligation of Assignee, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other law and equity principles applied for the relief of debtors heretofore or hereafter enacted, to the extent that the same may be constitutionally applied. To the best of Assignee's knowledge and belief, neither the execution and delivery of this Assumption Agreement nor the consummation of the transactions contemplated hereby will constitute a violation or breach of Assignee's Agreement of Limited Partnership or any provision of any contract or other instrument to which Assignee or Assignee's general partner is a party or by which either or the property of either is bound, or any constitutional provision, statute or ordinance, or any order, writ, injunction, decree, rule or regulation of any court or regulatory agency. No consent, order, authorization or other approval of any governmental body or agency is required in order for Assignee to execute, deliver and perform its obligations under this Assumption Agreement.

5. Representations and Warranties of Assignor. In order to induce Lender to consent to the assignment and assumption provided for herein, Assignor hereby represents to Lender that the representations and warranties of Assignor in the Contract are true and correct in all material respects as of the date hereof.

6. Further Assurances. At any time and from time to time, upon Lender's request, Assignee will promptly and duly execute and deliver any and all further instruments and documents and take such further action as Lender may deem reasonable to effect the purposes of this Agreement, including (without limitation) the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction in order to place on the public records notice of the effect of this Assumption Agreement.

7. Survival of Representation and Warranties. All representations and warranties made in this Assumption Agreement and in any document, certificate or statement delivered by Assignee in connection herewith shall survive the execution and delivery of this Assumption Agreement.

8. Successors and Assigns. This Assumption Agreement shall be binding upon Assignee and its successors and assigns and shall inure to the benefit of Lender and its successors and assigns; provided, however that Assignee shall not have the right to assign any of its obligations or rights hereunder, except as expressly provided herein, without the prior written consent of Lender.

9. Governing Law. This Assumption Agreement shall be governed by and construed and interpreted in accordance with, the laws of the State of Washington.

10. Non-Recourse Loan: Notwithstanding anything to the contrary herein, Assignor, its assigns and their respective officers, members, employees, agents and contractors shall have no personal liability for payment of the indebtedness evidenced hereby or performance of the covenants set forth in the Note, in the Deed of Trust or in the Contract, and the recourse of the holder hereof shall be confined to the exercise of its rights under the Deed of Trust, provided that nothing shall diminish the Assignor's liability for damages or deficiencies resulting from theft, waste, fraud, material misrepresentation and misuse of rents.

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IN WITNESS WHEREOF, the undersigned have caused this Assumption, Assumption and Consent Agreement to be duly executed and delivered by their duly authorized representatives on the day and year first above written.

ASSIGNOR:

Columbia Cascade Housing Corporation, an Oregon Non-profit Corporation

By: [Signature]

Print Name: Ruby Mason

Title: Executive Director

STATE OF OREGON)
 WASCO) ss.
COUNTY OF ~~MULTNOMAH~~)

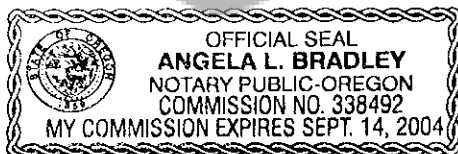
I certify that I know or have satisfactory evidence that RUBY MASON is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the EXECUTIVE DIRECTOR of Columbia Cascade Housing, an Oregon non-profit corporation, to be the free and voluntary act and deed of such non-profit corporation for the uses and purposes mentioned in the instrument.

Date: 8-31-04

(seal or stamp)

[Signature]
Notary Public in and for the State of Oregon,
Residing at WASCO County

My commission expires 9-14-2004



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ASSIGNEE:

Hamilton Park Limited Partnership, a Washington Limited Partnership, by Columbia Cascade Housing Corporation, a Non-profit Corporation, general partner

By: Ruby Mason
Print Name: Ruby Mason
Title: Executive Director

STATE OF OREGON)
 WASCO) ss.
COUNTY OF MULTNOMAH)

I certify that I know or have satisfactory evidence that Ruby Mason is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Columbia Cascade Housing, an Oregon Non-profit Corporation, to me known to be general partner of Hamilton Park Limited Partnership, a Washington limited partnership, to be the free and voluntary act and deed of such non-profit corporation on behalf of such partnership for the uses and purposes mentioned in the instrument.

Date: 9-1-2004

(seal or stamp)

[Signature]
Notary Public in and for the State of Oregon,
residing at WASCO COUNTY

My commission expires 9-14-2004



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LENDER:

Department of Community, Trade and Economic Development

By: *Stephen H. Buxbaum*

Print Name: Stephen H. Buxbaum

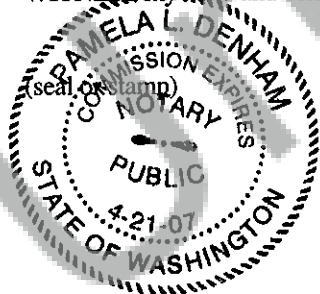
Title: Assistant Director, Housing Services Division

Date: 9/3/04

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)

On this 3rd day of September, 2004, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Stephen H. Buxbaum to me known to be the Assistant Director, Housing Services Division, of Department of Community, Trade and Economic Development, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said state agency, for the uses and purposes therein mentioned, and on oath state that he/she was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.



Pamela L. Denham
Notary Public in and for the State of Washington,
residing at Olympia

My commission expires 4-21-07

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