

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO:

NAME USDA RURAL DEVELOPMENT

STREET 1835 Black Lake Blvd, SW, Suite B
ADDRESS

CITY & Olympia
STATE Washington 98512

SPACE ABOVE LINE FOR RECORDER'S USE

Position 5

USDA-RD
Form RD WA427-7a

PTN LOT 5 AMENDED ROSE SUB.
FULL LEGAL DESCRIPTION PG 7
03-08-17-3-0-1205-00

REAL ESTATE DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND
FIXTURE FILING FOR WASHINGTON
(Multi-Family Housing)

THIS DEED OF TRUST is made and entered into by and between the undersigned Columbia Cascade Housing Corporation doing business in Skamania County, Wa., as grantor (s), herein called "Borrower", and the United States of America, acting through the State Director of Rural Development for the State of Washington, United States Department of Agriculture whose office address is: 1835 Black Lake Boulevard SW, Suite B, Olympia, WA 98512-5715, as trustee (herein called "Trustee"), and the United States of America, acting through State Director, Rural Development, United States Department of Agriculture, as beneficiary, (herein called the "Government"), and

WHEREAS Borrower is indebted to the Government as evidenced by one or more promissory note (s) or assumption agreement (s), herein called "note", which has been executed by Borrower, is payable to the order of the Government, authorizes acceleration of the entire indebtedness at the option of the Government upon any default by Borrower, and is described as follows:

<u>Date of Instrument</u>	<u>Principal Amount</u>	<u>Annual Rate of Interest</u>	<u>Due Date of Final Installment</u>
March 12 th ,2014	\$1,000,000.00	4.00	3/1/2044

The note evidences a loan to Borrower, and the Borrower, and the Government, at any time, may assign the note and insure the payment thereof pursuant to Title V of the Housing Act of 1949, or any other statutes administered by the Rural Housing Service;

It is the purpose and intent of this instrument that, among other things, at all times when the note, is held by the Government, or in the event the Government should assign this instrument without insurance of the note, this instrument shall secure payment of the note; but when the note is held by an insured holder, this instrument shall not secure payment of the note or attach to the debt evidenced thereby but as to the note and such debt shall constitute an indemnity deed of trust to secure the Government against loss under its insurance contract by reason of any default by Borrower;

And this instrument also secure the recapture of any interest credit of subsidy which may be granted the Borrower by the Government pursuant to 42 U.S.C. ss1490a.

NOW, THEREFORE, in consideration of the loan (s) Borrower conveys and warrants to Trustee the following described property situated in the State of Washington, County (ies) of **Skamania** which said described real property is not used principally for agricultural or farming purposes:

Legal Description: See Exhibit A

With all rights (including the rights to mining products, gravel, oil, gas, coal or other minerals), interests, easements, hereditaments and appurtenances thereunto belonging, the rents, issues, and profits thereof and revenues and income therefrom, subject to the right of the Government to collect and apply the same as provided in Covenant (23) thereof, all improvements and personal property now or later attached thereto or reasonably necessary to the use thereof, including, but not limited to ranges, refrigerators, clothes washers, clothes dryers, or carpeting purchased or financed in whole or in part with loan funds, all water, water rights and water stock pertaining thereto, and all payments at any time owing to Borrower by virtue of any sale, lease, transfer, conveyance, or condemnation of any part thereof or interest therein-all of which are herein called "the property";

TO HAVE AND TO HOLD the property unto Trustee, Trustee's successors, grantees and assigns forever;

IN TRUST, NEVERTHELESS, (a) at all times when the note is held by the Government, or in the event the Government should assign this instrument without insurance of the payment of the note, to secure prompt payment of the note and any renewals and extensions thereof and any agreements contained therein, including any provision for the payment of an insurance or other charge,

(b) at all times when the note is held by an insured holder, to secure performance of Borrower's agreement herein to indemnify and save harmless the Government against loss under its insurance endorsement by reason of any default by Borrower, and

(c) in any event and at all times to secure the prompt payment of all advances and expenditures made by the Government with interest, as hereinafter described, and the performance of every covenant and agreement of Borrower contained herein or in supplementary agreement, the provisions of which are hereby incorporated herein and made a part hereof.

BORROWER for Borrower's self, Borrower's heirs, executors, administrators, successors and assigns WARRANTS the property and the title thereto unto Trustee for the benefit of the Government against all lawful claims and demands whatsoever except any liens, encumbrances, easements, reservations, or conveyances specified hereinabove, and COVENANTS AND AGREES as follows:

(1) To pay promptly when due any indebtedness to the Government hereby secured and to indemnify and save harmless the government against any loss under its insurance of payment of the note by reason of any default by Borrower. At all times when the note is held by an insured holder, Borrower shall continue to make payments on the note to the government, as collection agent for the holder.

(2) To pay the Government such fees and other charges as may now or hereafter be required by regulations of the Rural Housing Service, or those of its successor agencies.

(3) If required by the Government to make additional monthly payments of 1/12 of the estimated annual taxes, assessments, insurance premiums and other charges upon the mortgaged premises.

(4) Whether or not the note is insured by the Government, the Government may at any time pay any other amounts required herein to be paid by Borrower and not paid by Borrower when due as well as any costs and expenses for the preservation, protection, or enforcement of this lien, as advances for the account of Borrower. All such advances shall bear interest at the rate borne by the note which has the highest interest rate.

(5) All advances by the Government as described in this instrument, with interest, shall be immediately due and payable by Borrower to the Government without demand at the place designated in the latest note and shall be secured hereby. No such advance by the Government shall relieve Borrower from breach of Borrower's covenant to pay. Such advances, with interest, shall be repaid from the first available collections received from Borrower. Otherwise, any payment made by Borrower may be applied on the note or any indebtedness to the Government secured hereby, in any order the Government determines.

(6) To use the loan evidenced by the note solely for purposes authorized by the Government.

(7) To pay when due all taxes, liens, judgments, encumbrances, and assessments lawfully attaching to or assessed against the property, including all charges and assessments in connection with water, water rights, and water stock pertaining to or reasonably necessary to the use of the real property described above, and promptly deliver to the Government without demand receipts evidencing such payments.

(8) To keep the property insured as required by and under insurance policies approved by the Government and, at its request, to deliver such policies to the Government.

(9) To maintain improvements in good repair and make repairs required by the Government; and not to abandon the property, or cause or permit waste, lessening or impairment of the security covered hereby, or, without the written consent of the Government, cut, remove, or lease any timber, gravel, oil, gas, coal, or other minerals except as may be necessary for ordinary domestic purposes.

(10) To comply with all laws, ordinances, and regulations affecting the property.

(11) To pay or reimburse the Government for expenses reasonably necessary or incidental to the protection of the lien and priority thereof and to the enforcement of or the compliance with the provisions hereof and of the note and any supplementary agreement (whether before or after default), including but not limited to costs of evidence of title to and survey of the property, costs of recording this and other instruments, attorney's fees, trustees fees, court costs, and expenses of advertising, selling, and conveying the property.

(12) Except as otherwise provided by the Rural Housing Service regulations, or those of its successor agencies, neither the property nor any portion thereof or interest therein shall be leased, assigned, sold, transferred, or encumbered, voluntarily or otherwise, without the written consent of the Government. The Government shall have the sole and exclusive rights, as beneficiary hereunder, including but not limited to the power to grant consents, partial releases, subordinations, and satisfaction, and no insured holder shall have any right, title or interest in or to the lien or any benefits hereof.

(13) At all reasonable times the Government and its agents may inspect the property to ascertain whether the covenants and agreements contained herein or in any supplementary agreement are being performed.

(14) The Government may (a) extend or defer the maturity of, and renew and reschedule the payments on, the debt evidenced by the note or any indebtedness to the Government secured by this instrument, (b) release any party who is liable under the note or for the debt from liability to the Government, (c) release portions of the property and subordinate its lien, and (d) waive any other of its rights under this instrument. Any and all this can and will be done without affecting the lien or the priority of this instrument or Borrower's or any other party's liability to the government for payment of the note or debt secured by this instrument unless the government says otherwise in writing.

HOWEVER, any forbearance by the Government-whether once or often-in exercising any right or remedy under this instrument, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

(15) Default hereunder shall constitute default under any other real estate, or under any personal property or other secured instrument held or insured by the Government and executed or assumed by Borrower, and default under any such other security instrument shall constitute default hereunder.

(16) SHOULD DEFAULT occur in the performance or discharge of any obligation in this instrument or secured by this instrument, or should the parties named as Borrower die or be declared incompetent, or should any one of the parties named as Borrower be discharged in bankruptcy or declared an insolvent, or make an assignment for the benefit of creditors, the Government, at its option, with or without notice, may: (a) declare the entire amount unpaid under the note and any indebtedness to the Government hereby secured immediately due and payable, (b) for the account of borrower incur and pay reasonable expenses for repair or maintenance of and take possession of, operate or rent the property, (c) upon application by it and production of this instrument, without other evidence and without notice of hearing of said application, have a receiver appointed for the property, with the usual powers of receivers in like cases, and (d) authorize and request Trustee to foreclose this instrument and sell the property as provided by law.

(17) At the request of the Government, Trustee may foreclose this instrument by advertisement and sale of the property as provided by law, for cash or secured credit at the option of the Government; and at such sale the Government and its agents may bid and purchase as a stranger; Trustee at Trustee's option may conduct such sale without being personally present, through Trustee's delegate authorized by Trustee for such purpose orally or in writing and Trustee's execution of a conveyance of the property or any part thereof to any purchaser at foreclosure sale shall be conclusive evidence that the sale was conducted by Trustee personally or through Trustee's delegate duly authorized in accordance herewith.

(18) The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) costs and expenses incident to enforcing or complying with the provisions hereof, (b) the debt evidenced by the note and all indebtedness to the Government secured hereby, and (c) any surplus, less the clerk's file fee, deposited with the clerk of the superior court of the county where the sale took place. In case the Government is the successful bidder at foreclosure or other sale of all or any part of the property, the Government may pay its share of the purchase price

by crediting such amount on any debts of borrower owing to or insured by the Government, in the order prescribed above.

(19) All powers and agencies granted in this instrument are coupled with an interest and are irrevocable by death or otherwise; and the rights and remedies provided in this instrument are cumulative to remedies provided by law.

(20) Borrower agrees that the government will not be bound by any present or future State laws, (a) providing for valuation, appraisal, homestead or exemption of the property, (b) prohibiting maintenance of an action for a deficiency judgment or limiting the amount there or the time within which such action may be brought, (c) prescribing any other statute of limitations, (d) allowing any right or redemption or possession following any foreclosure sale, or (e) limiting the conditions which the Government may by regulation impose, including the interest rate it may charge, as a condition of approving a transfer of the property to a new Borrower. Borrower expressly waives the benefit of any such state law. Borrower hereby relinquishes, waives, and conveys all rights, inchoate or consummate, of descent, dower, and curtesy.

(21) If any part of the loan for which this instrument is given shall be used to finance the purchase, construction or repair of property to be used as an owner-occupied dwelling (herein called "the dwelling") and if Borrower intends to sell or rent the dwelling and has obtained the Government's consent to do so (a) neither Borrower nor anyone authorized to act for borrower will, after receipt of a bona fide offer, refuse to negotiate for the sale or rental of the dwelling or will otherwise make unavailable or deny the dwelling to anyone because of race, color, religion, sex or national origin, and (b) Borrower recognizes as illegal and hereby disclaims, and will not comply with or attempt to enforce any restrictive covenants on the dwelling relating to race, color, religion, sex or national origin.

(22) This instrument shall be subject to the present regulations of the Rural Housing Service, or those of its successor agencies, and to those future regulations not inconsistent with the express provision thereof.

(23) Borrower hereby assigns to and confers upon the government the power to collect the rents, issues, profits, and income of the property, reserving to Borrower the right to collect and retain same prior to any default hereunder. The Government may apply said rents and other income on the loan on any indebtedness secured hereby in any order it may determine and without regard to the adequacy of security for same.

(24) Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and until some other address is designated in a notice so given, in the case of the Government to the Rural Housing Service, United States Department of Agriculture, **1835 Black Lake Blvd., SW, Suite B, Olympia, Washington 98512** and in the case of Borrower to Borrower at the address shown in the Rural Housing Service Finance Office records (which normally will be the same as the post office address shown above).

(25) Upon full and final payment of all indebtedness hereby secured and the performance and discharge of each and every condition, agreement and obligation, contingent or otherwise, contained herein or secured hereby, but not sooner than the due date of the final installment as stated herein, the Government shall request trustee to execute and deliver to Borrower at Borrower's above post office address a deed of reconveyance of the property within 60 days after written demand by Borrower, and Borrower hereby waives the benefits of all laws requiring earlier execution or delivery of such deed of reconveyance.

(26) If any provision of this instrument or application thereof to any person or circumstances is held invalid, such invalidity will not affect other provisions or applications of the instrument which can be given effect without the invalid provision of application, and to that end the provisions hereof are declared to be severable.

(27) The property described herein was obtained or improved through Federal financial assistance. This property is subject to the provisions of Title VI of the Civil Rights Act of 1964 and the Rehabilitation Act of 1973 and the regulations issued pursuant thereto for as long as the property continues to be used for the same or similar purpose for which financial assistance was extended or for as long as the purchaser owns it, whichever is longer.

(28) This instrument also secures the obligations and covenants of Borrower set forth in Borrower's Loan Resolution of January 30, 2014, as amended, which is hereby incorporated herein by reference.

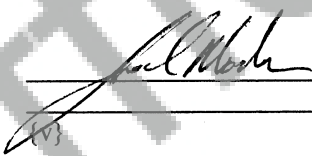
(29) The Borrower and any successors in interest agree to use the housing for the purpose of housing people eligible for occupancy as provided in Section 515 of Title V of the Housing Act of 1949 and Rural Housing Service Regulations, or those of its successor agencies, then extant during the full term of the Deed of Trust. No eligible person occupying the housing will be required to vacate nor any eligible person denied occupancy for housing prior to close of such period because of a prohibited change in the use of the housing. A tenant may seek enforcement of this provision as will the Government.

(30) Security Agreement and Fixture Filing. To secure the obligations of Borrower to the Government under the promissory note, this deed of trust, the restrictive use provisions, related documents and

RHS regulations, Borrower grants to the Government a security interest in the following: (1) the property to the extent the same is not encumbered by this deed of trust as a higher priority real estate lien; (2) all personal property that is used or will be used in the construction or operation of any improvements on the property; (3) all personal property that is now or will hereafter be placed on or in the property or improvements; (4) all personal property that is derived from or used in connection with the use, occupancy, or enjoyment of the property; (5) all property defined in the Uniform Commercial Code as adopted in the State of Washington, as accounts, equipment, fixtures, and general intangibles, to the extent the same are used at, or arise in connection with the ownership, maintenance, or operation of the property; (6) all causes of action, claims, security deposits, advance rental payments, utility deposits, refunds of fees or deposits paid to any governmental authority, refunds of taxes, and refunds of insurance premiums relating to the property; and (7) all present and future attachments, accessions, amendments, replacements, additions, products, and proceeds of every nature of the foregoing. This Deed of Trust shall constitute a security agreement and "fixture filing" under the Uniform Commercial Code-Secured Transactions statutes of the State of Washington. The mailing address of Borrower and the address of the Government from which information may be obtained are set forth in the introductory paragraph of this Deed of Trust. The Borrower will from time to time, at the request of the Government, execute any and all financing statements covering such personal property and fixtures (in a form satisfactory to the Government) which the Government may reasonably consider necessary or appropriate to perfect its interest.

WITNESS the hand (s) of Borrower this 12th day of March,
19
2014

Joel Madsen
Executive Director
Columbia Cascade Housing Corporation



(v)

(v)

ACKNOWLEDGEMENT

State of Washington

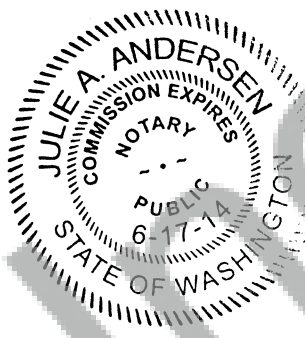
County of ~~Thurston~~ Skamania *900*

I certify that I know or have satisfactory evidence that Joel Madsen 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 Corporation to be ~~his~~ her free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated March 12, 2014

(Seal or stamp)

Julie A. Andersen
Signature Julie A. Andersen
Title Escrow Officer, LPO
My appointment expires: June 17, 2014
Carson, Washington



ORDER NO. S14-0005HW

EXHIBIT "A"

Lot 5 of the Amended Rose Subdivision Phase I, according to the recorded plat, recorded in Auditor File NO. 2005159016, in the County of Skamania, State of Washington.

TOGETHER WITH the following described portion of Lot 6 of the Amended Rose Subdivision Phase I, according to the recorded plat, recorded in Auditor File NO. 2005159016, in the County of Skamania, State of Washington, more particularly described as follows:

Beginning at a 5/8" iron rod, L.S. 43141 monumenting the Southeast corner of Lot 6 of said Amended Rose Subdivision; thence North 01°24'30" East, a distance of 396.60 feet to a similar 5/8" iron rod; thence continuing North 18°03'46" West, a distance of 60.82 feet to a similar 5/8" iron rod; thence North 01°07'21" East, a distance of 175.72 feet to a 1/2" iron rod, L.S. 15204 monumenting the Northeast corner of said Lot 6; thence North 87°46'41" West, along the North line of said Lot 6 a distance of 8.84 feet to a point; thence South 01°24'30" West, a distance of 399.23 feet to the Northeast corner of Lot 2 of said amended subdivision; thence South 01°24'30" West, a distance of 229.88 feet to a 5/8" iron rod, L.S. 22098 monumenting the Southeast corner of said Lot 2, point being on the northern right of way of Brooks Road; thence South 87°21'30" E along said northern right of way, a distance of 30.00 feet to the point of beginning.

EXCEPTING THEREFROM the following 4 Parcels:

1.

A portion of Lot 5 of the Plat Amended of Rose Subdivision, Phase 1 as filed for record in Skamania County Auditor File #2005159016, more particularly described as follows:

Commencing at a 5/8" iron rod L.S. 22098 monumenting the Southwest corner of Lot 3 of said Amended Rose Subdivision; thence North 01°24'30" East, a distance of 115.08 feet to a similar 5/8" iron rod and point of beginning; thence North 01°24'30" East, a distance of 35.00 feet to a 5/8" iron rod, L.S. 43141 monumenting the Northwest corner of Quit Claim Deed #2006161730; thence North 87°27'12" West, a distance of 13.00 feet to a point; thence South 01°24'30" West, a distance of 35.00 feet to a point; thence South 87°25'25" East, a distance of 13.00 feet to the point of beginning.

2.

A portion of Lot 5 of the Flat Amended of Rose Subdivision, Phase 1 as filed for record in Skamania County Auditor File #2005159016, more particularly described as follows:

Beginning at a 5/8" iron rod, L.S. 22098 monumenting the Southwest corner of Lot 3 of said Amended Rose Subdivision; thence North 01°24'30" East, a distance of 115.08 feet to a similar 5/8" iron rod; thence North 87°25'25" West, a distance of 13.00 feet to a point; thence South 01°24'30" West, a distance of 115.08 feet to a point on the North right of way of Brooks Road; thence South 87°25'57" East, a distance of 13.00 feet to the point of beginning.

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3.

That portion conveyed to Dennis Saul by Instrument recorded in Auditor File No, 2006161780.

A portion of Lot 5 of the Amended Rose Subdivision Phase I according to the recorded plat recorded in Auditors File No 2005159016, in the County of Skamania, State of Washington describes as follows:

Beginning at the Northwest corner of Lot 3 of the amended Rose Subdivision; thence North $01^{\circ}24'30''$ East, a distance of 35 feet; thence North $87^{\circ}26'21''$ East, a distance of 105.51 feet to the Northwest corner of Lot 4 of said subdivision; thence South $02^{\circ}33'39''$ West, a distance of 35 feet to the Northeast corner of said Lot 3; thence West along said Northern line 105.51 feet to the point of beginning

4.

That portion conveyed to Dennis Saul by instrument recorded in Auditor File No, 2006162396.

A portion of Lot 5 Amended Rose Subdivision Phase I according to recorded Plat recorded in Auditor File No. 2005159016, in the County of Skamania, State of Washington, described as follows:

Beginning at the Northeast corner of Lot 4 in the said Amended Rose Plat which is also on the East line of said subdivision; thence North along said East line 80 feet; thence West parallel with the North line of said Lot 4, a distance of 110 feet; thence South parallel with the East line of said subdivision 80 feet to the North line of a tract of land conveyed to Dennis Saul by instrument recorded in Auditor File No. 2006161780; thence East along said North line and the North line of said Lot 4, a distance of 110 feet to the Point of Beginning.