

When Recorded Return To:

Washington State Housing Finance Commission
Land Acquisition Program
1000 Second Ave., Suite 2700
Seattle, WA 98104-1046
Attention: Bob Peterson

DEED OF TRUST

Grantor (Borrower): Columbia Cascade Housing Corporation, a Washington State Nonprofit Corporation

Beneficiary (Lender): Washington State Housing Finance Commission

Grantee (Trustee): Columbia Gorge Title

Legal Description (abbreviated): Ptn of Lot 4, Annie Meadows Short Plat, recorded under 2012181845, Skamania County, WA

See Exhibit A for full legal description.

Assessor's Tax Parcel ID#: 03-08-21-3-0-1702-00

Recording Nos. of Related Documents: N/A

THIS DEED OF TRUST is made this 24th day of April, 2015 between Columbia Cascade Housing Corporation, a Washington State Nonprofit Corporation, whose mailing address is 500 East Second Street, The Dalles, Oregon 97058, as Grantor ("Grantor"); Columbia Gorge Title Company whose address is 41 SW Russell Avenue, PO Box 277, Stevenson, WA 98648, as Trustee ("Trustee"); and the Washington State Housing Finance Commission, or its successor agency, whose address 1000 Second Ave., Suite 2700, Seattle, WA 98104-1046, as Beneficiary ("Beneficiary").

1. Grant. Grantor hereby bargains, sells and conveys to Trustee in Trust for the benefit of Beneficiary, with power of sale the real property located in Skamania County, Washington described on Exhibit A attached hereto (the "Property") together with all tenements, privileges, reversions, remainders, irrigation and water rights and stock, oil and gas rights, royalties, minerals and mineral rights, hereditaments and appurtenances belonging or in any way pertaining to the Property, and the rents issues and profits thereof. Said Property is not used principally, or at all, for agricultural or farming purposes.

2. Obligations Secured. This Deed of Trust is given for the purpose of securing the following:
- (a) Payment in the amount of One Hundred Sixty-One Thousand Six Hundred and No/100 Dollars (\$161,600.00) with interest thereon according to the terms of a Promissory Note (the "Note") of even date herewith, payable by Grantor to Beneficiary, including all renewals, modifications and extensions thereof;

- (b) Payment of any further sums advanced or loaned by Beneficiary to Grantor, or any of its successors or assigns with interest as agreed; and
- (c) Performance of each agreement, term and condition set forth in (i) this Deed of Trust, (ii) the Note, and (iii) the Loan Agreement between Grantor and Beneficiary of even date herewith (the "Loan Agreement").

This Deed of Trust does not secure the obligations of Grantor under that Environmental Indemnity Agreement between Grantor and Beneficiary of even date herewith.

3. Lien Priority. This Deed of Trust shall be in a first-lien priority position against the Property.

4. Protection of Security. To protect the security of this Deed of Trust, Grantor covenants and agrees:

4.1. To keep the Property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, conditions and restrictions affecting the Property.

4.2. To pay before delinquent all lawful taxes and assessments upon the Property; to keep the Property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.

4.3. To keep all buildings now or hereafter on the Property continuously insured against loss by fire or other hazards in an amount not less than the replacement cost of the Property. Except as otherwise provided herein and in the Loan Agreement, the amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4.4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

4.5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

4.6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Property, Beneficiary may pay the same, and the amount so paid shall be added to and become a part of the debt secured by this Deed of Trust.

5. General Conditions. The parties hereto agree that:

5.1. In the event of any fire or other casualty to the Property or eminent domain proceedings resulting in condemnation of the Property or any part thereof, Grantor shall have the right to rebuild the Property, and to use all available insurance or condemnation proceeds therefore, provided that (a) such proceeds are sufficient to keep the loan in balance and rebuild the Property in a manner that provides adequate security to the Beneficiary for repayment of the loan, or if such proceeds are insufficient to provide adequate security or to keep the loan in balance, then Grantor has funded any deficiency, (b) Beneficiary shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation

proceeds for rebuilding under a construction escrow or similar arrangement, and such approval shall not be unreasonably withheld, and (c) no material default then exists under the Note or the Deed of Trust. If the casualty or condemnation affects only part of the Property and total rebuilding is infeasible, then such insurance and/or condemnation proceeds may be used for partial rebuilding and partial repayment of the loan in a manner that provides adequate security to the Beneficiary for repayment of the remaining balance of the loan.

5.2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

5.3. The Trustee shall reconvey all or any part of the Property covered by this Deed of Trust to the person entitled thereto on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligations secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

5.4. Pursuant to Chapter 61.24 of the Revised Code of Washington and upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, in the Note or in the Loan Agreement, without timely cure within the time periods provided therefore in Section 3.09 of the Loan Agreement, all sums secured hereby shall immediately become due and payable. In such event and upon written notice of Beneficiary, the Property may be sold, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person may bid at the Trustee's sale. The proceeds of the sale shall be applied as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the person or persons entitled thereto.

5.5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the Property which Grantor had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of a bona fide purchaser for value.

5.6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the state of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.

5.7. Beneficiary may at any time appoint or discharge the Trustee.

5.8. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto and their successors and assigns. The terms "Grantor," "Trustee," and "Beneficiary" include their successors and assigns.

6. **Acceleration.** Except as otherwise provided for in the Loan Agreement, if without Beneficiary's prior written consent, all or any part of the Property or any interest in it is sold, conveyed, transferred, or encumbered, Beneficiary may, at its option, require immediate payment in full of all sums secured by this Deed of Trust. However, this option shall not be exercised by Beneficiary if exercise is prohibited by federal law as of the date of this Deed of Trust. If Beneficiary exercises this option, Beneficiary shall give Grantor notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is delivered or mailed within which Grantor must pay all sums secured by this Deed of Trust. If Grantor fails to pay these sums prior to the expiration of this period, Beneficiary may invoke any remedies permitted by this Deed of Trust without further notice or demand on Grantor.

WITNESS the hand and seal of the Grantor on the day and year first written above.

Columbia Cascade Housing Corporation, a Washington State
Nonprofit Corporation

By: 

Print Name: Joel Madsen

Title: Executive Director

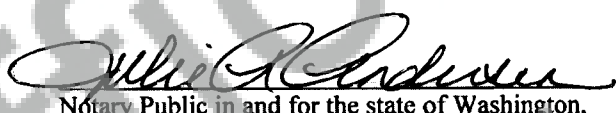
STATE OF WASHINGTON)
) ss.
COUNTY OF SKAMANIA)

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 signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Executive Director of Columbia Cascade Housing Corporation ("Borrower"), a Washington State Nonprofit Corporation, to be the free and voluntary act and deed of such corporation for the uses and purposes mentioned in the instrument.

Date: April 24, 2015.

(seal or stamp)




Notary Public in and for the state of Washington,
residing at Cheson, Washington

My commission expires June 17, 2018

Julie A Andersen
Print Name

REQUEST FOR FULL RECONVEYANCE

**TO BE USED ONLY WHEN ALL OBLIGATIONS HAVE BEEN PAID AND ALL
DUTIES PERFORMED UNDER THIS DEED OF TRUST.**

TO: TRUSTEE:

The undersigned Beneficiary is the party entitled to the performance, benefits, duties, and payments under the Promissory Note and the Loan Agreement between Grantor and Beneficiary which is secured by this Deed of Trust and other legal documents.

The obligations thus secured have been fully paid, duties performed and satisfied, and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, including any contingent interest, to cancel evidence of indebtedness secured by said Deed of Trust delivered to you with said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you hereunder.

Dated

Name

Title

Unofficial Copy

EXHIBIT A

LEGAL DESCRIPTION

That portion of Lot 4, ANNIE MEADOW Short Plat, recorded October 24th, 2012 under Auditor's File Number 2012181845, records of Skamania County, described as follows:

Beginning at the Northeast corner of Lot 3 of said Annie Meadows Short Plat; thence N00°50'31"E 172.99 feet along the east line of said Lot 4; thence N89°16'47"W 641.07 feet to the west line of said Lot 4; thence S00°43'08"W 587.13 feet; thence S88°49'17"E 50.00 feet; thence S00°43'08"W 13.34 feet to the South line of said Lot 4; thence S88°49'07"E 432.79 feet along said south line to the Southwest corner of Lot 1 of said Annie Meadows Short Plat; thence N00°50'31"E 431.70 feet along the West lines of Lots 1, 2 and 3 of said Annie Meadows Short Plat to the Northwest corner of said Lot 3; thence S89°09'29"E 157.00 feet along the north line of said Lot 3 to the true point of beginning.

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