

WA LITIGATION GUARANTEE

ISSUED BY STEWART TITLE GUARANTY COMPANY a corporation, herein called the Company

Guarantee No.: G-6328-000027419

Liability: \$80,000.00

Fee: \$ 560.00

Order No.: 25-40576-VTE

Dated: July 8, 2025

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE.

GUARANTEES

Spokane County Treasurer

herein called the Assured, against loss not exceeding the liability amount stated above which the Assured shall sustain by reason of any incorrectness in the assurance which the Company hereby gives that, according to the public records, on the date stated below.

1. The title to the herein described land was vested in the vestee named, subject to the matters shown as Exceptions herein, which Exceptions are not necessarily shown in the order of priority;

All subject, however, to the exclusions from coverage, the limits of liability and the other provisions of the Conditions and Stipulations hereto annexed and made a part of the Guarantee.

Signed under seal for the Company, but this Guarantee is to be valid only when it bears an authorized countersignature.

Countersigned by:

Authorized Countersignature

Vista Title and Escrow, LLC

Company Name

201 W. North River Drive
Suite 205
Spokane, WA 99201
City, State

1908 1908 1208 1208

Agent ID: 470144

Frederick H. Eppinger President and CEO

> David Hisey Secretary

GUARANTEE CONDITIONS AND STIPULATIONS

- 1. Definition of Terms The following terms when used in this Guarantee mean:
 - (a) "land": the land described, specifically or by reference, in this Guarantee and improvements affixed thereto which by law constitute real property:
 - (b) "public records": those records which impart constructive notice of matters relating to said land;
 - (c) "date": the effective date;
 - (d) "the Assured": the party or parties named as the Assured in this Guarantee, or in a supplemental writing executed by the Company;
 - (e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.
- 2. Exclusions from Coverage of this Guarantee The Company assumes no liability for loss or damage by reason of the following:
 - (a) Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
 - (b) Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
 - (c) Title to any property beyond the lines of the land expressly described in the description set forth in this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways on which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement; or any rights or easements therein unless such property, rights or easements are expressly and specifically set forth in said description.
 - (d) Defects, liens, encumbrances, adverse claims against the title as guaranteed or other matters (1) created, suffered, assumed or agreed to by one or more of the Assured; or (2) resulting in no loss to the Assured.

3. Prosecution of Actions -

- (a) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish or confirm the matters herein guaranteed; and the Company may take any appropriate action under the terms of this Guarantee whether or not it shall be liable hereunder and shall not thereby concede liability or waive any provision thereof.
- (b) In all cases where the Company does so institute and prosecute any action or proceeding, the Assured shall permit the Company to use, at its option, the name of the Assured for such purpose. Whenever requested by the Company, the Assured shall give the Company all reasonable aid in prosecuting such action or proceeding, and the Company shall reimburse the Assured for any expense so incurred.
- 4. Notice of Loss Limitation of Action A statement in writing of any loss or damage for which it is claimed the Company is liable under this Guarantee shall be furnished to the Company within sixty days after such loss or damage shall have been determined, and no right of action shall accrue to the Assured under this Guarantee until thirty days after such statement shall have been furnished, and no recovery shall be had by the Assured under this Guarantee unless action shall be commenced thereon within two years after expiration of said thirty day period. Failure to furnish such statement of loss or damage or to commence such action within the time hereinbefore specified, shall be a conclusive bar against maintenance by the Assured of any action under this Guarantee.
- 5. Options to Pay, Settle or Compromise Claims The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage, the Company shall have the option to purchase the indebtedness secured by said mortgage. Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of the indebtedness shall transfer and assign said indebtedness and the mortgage to the Company upon payment of the purchase price.
- 6. Limitation of Liability Payment of Loss -
 - (a) The liability of the Company under this Guarantee shall be limited to the amount of actual loss sustained by the Assured because of reliance upon the assurances herein set forth, but in no event shall such liability exceed the amount of liability stated on the face page thereof.
 - (b) The Company will pay all costs imposed upon the Assured in litigation carried on by the Company for the Assured, and all costs and attorneys' fees in litigation carried on by the Assured with the written authorization of the Company.
 - (c) No claim for damages shall arise or be maintainable under this Guarantee (1) if the Company after having received notice of an alleged defect, lien or encumbrance not shown as an Exception or excluded herein removes such defect, lien or encumbrance within a reasonable time after receipt of such notice, or (2) for liability voluntarily assumed by the Assured in settling any claim or suit without written consent of the Company.
 - (d) All payments under this Guarantee, except for attorneys' fees as provided for in paragraph 6(b) hereof, shall reduce the amount of the liability hereunder pro tanto, and no payment shall be made without producing this Guarantee for endorsement of such payment unless the guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.
 - (e) When liability has been definitely fixed in accordance with the conditions of this Guarantee, the loss or damage shall be payable within thirty days thereafter.
- 7. Subrogation Upon Payment or Settlement -- Whenever the Company shall have settled a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured, and it shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to such claim had this Guarantee not been issued. If the payment does not cover the loss of the Assured, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. The Assured if requested by the Company, shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect such right of subrogation, and shall permit the Company to use the name of the Assured in any transaction or litigation involving such rights or remedies.
- 8. Guarantee Entire Contract Any action or actions or rights of action that the Assured may have or may bring against the Company arising out of the subject matter hereof must be based on the provisions of this Guarantee.
 - No provision or condition to this Guarantee can be waived or changed except by a writing endorsed or attached hereto signed by the President, a Vice President, the Secretary, an Assistant Secretary or other validating officer of the Company.
- 9. Notices, Where Sent All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at P.O. Box 2029, Houston, Texas 77252-2029.
- 10. The fee specified on the face of this Guarantee is the total fee for title search and examination and for this Guarantee.

Page 2 of 2 for Policy Number: G-6328-000027419 Agent ID: 470144

LITIGATION GUARANTEE

Issued by STEWART TITLE GUARANTY COMPANY

a corporation, herein called the Company

SCHEDULE A

Guarantee No.: 000027419

Premium: \$560.00

Sales Tax: \$50.96

Prepared by: Vista Title and Escrow LLC, 602386172

Order Number: 25-40576-VTE Date of Guarantee: July 8, 2025 Amount of Liability: \$80,000.00

Total: \$610.96

1. Name of Assured: Spokane County Treasurer

- 2. The estate or interest in the land hereinafter described or referred to covered by this Guarantee is:
- 3. Title to said estate or interest at the date hereof is vested in:
 Defender Homes Airway Heights, L.L.C., a Washington Limited Liability Company, who acquired title by Deed recorded August 31, 2012 under Auditor's file number 6123989
- 4. The land referred to in this Guarantee is situated in the State of Washington, County of Spokane and is described as follows: See attached Exhibit "A".

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE.

SCHEDULE B

Order Number: 25-40576-VTE Guarantee No.: 000027419

GENERAL EXCEPTIONS FROM COVERAGE

- 1. Rights of claims of parties in possession not shown by the public records.
- 2. Easements, claims of easements or encumbrances which are not shown by the public records.
- 3. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey and inspection of the premises and which are not shown by the public records.
- 4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished imposed by law and not shown by the public records.
- 5. Any service, installation, connection, maintenance, tap, capacity, construction or reimbursement charges for sewer, water, electricity or other utilities, or for garbage collection and disposal.
- 6. (i) Unpatented mining claims; (ii) reservations or exceptions in patents or Acts authorizing the issuance thereof; (iii) water rights, claims or title to water; whether or not the matters described in (i), (ii) & (iii) are shown in the public records; (iv) Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
- 7. Any titles or rights asserted by anyone, including but not limited to persons, corporations, governments, or other entities, to tidelands, or lands comprising the shores or bottoms of navigable rivers, lakes, bays, ocean or gulf, or lands beyond the line of the harbor or bulkhead lines as established or changed by the United States Government, or riparian rights, if any.
- 8. Minerals of whatsoever kind, subsurface and surface substances, including but not limited to coal, lignite, oil, gas, uranium, clay, rock, sand and gravel in, on, under and that may be produced from the Land, together with all rights, privileges, and immunities relating thereto, whether or not appearing in the Public Records or listed in Schedule B. The Company makes no representation as to the present ownership of any such interests. There may be leases, grants, exceptions or reservations of interests that are not listed.
- 9. General and Special Taxes and any Assessments. No search has been made thereof.
- 10. Any unpaid assessments or charges, and liability for further assessments or charges by: the County of Spokane and the City of Airway Heights.
- 11. Deed of Trust and the terms and conditions thereof:

Grantor: Defender Homes Airway Heights, L.L.C., a Washington limited liability company

Trustee: UPF Washington Incorporated Beneficiary: State Bank Northwest

Amount: \$880,000.00 Dated: February 9, 2017 Recorded: February 14, 2017

Recording No.: 6578850 in the official records

The amount now secured by said Deed of Trust and the terms upon which the same can be discharged or assumed should be ascertained from the holder of the indebtedness secured.

Includes This and Other Property

12. Deed of Trust and the terms and conditions thereof:

Grantor: Defender Homes Airway Heights, LLC, a Washington Limited Liability Company

Trustee: Real Estate Management Corporation, a Washington Corporation

Beneficiary: Harold A Oosterhof, a single man

Amount: \$500,000.00 Dated: December 22, 2021 Recorded: December 22, 2021

Recording No.: 7164328 in the official records

The amount now secured by said Deed of Trust and the terms upon which the same can be discharged or assumed should be ascertained from the holder of the indebtedness secured.

Includes This and Other Property

13. Lien:

Claimant: Spokane County Noxious Weed Control Board

Against: Defender Homes Airway Heights, LLC

Amount: \$967.14

For: Labor, Materials and Supply Equipment Date Work Commenced: August 1, 2022 Date Work Ceased: August 1, 2022

Recorded: October 17, 2022

Recording No.(s): 7247178 in the official records

Includes This and Other Property

- 14. A review of the Secretary of State records show that Defender Homes Airway Heights, LLC, a limited liability company is currently in a Delinquent status. If said company becomes Inactive, the company will cease to be an entity capable of holding title.
- 15. Restrictions, easements, dedications and delineated matters, but deleting any covenant, conditions, or restrictions indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604 (C), contained on the face of the Plat of Aspen Craig Addition in the official records as recorded in Volume 35 of Plats, Page(s) 98 and 99, and any amendments thereto.

Affidavit of Minor Correction of Survey and the terms and conditions thereof:

Recorded: June 14, 2010

Recording No.: 5908151 in the official records

16. Water and Sewer Easement and the terms and conditions thereof:

Recorded: October 24, 2007

Recording No.: 5604013 in the official records

17. Development Agreement and the terms and conditions thereof:

Recorded: November 12, 2014

Recording No.: 6347645 in the official records

18. Pending action in Spokane County:

Superior Court Cause No.: 25-2-01607-32 Being an action for: Tax Lien Foreclosure

Plaintiff: Spokane County, a Political Subdivision of the State of Washington

Defendant: Defender Homes Airway Heights, LLC

Attorney for Plaintiff: Lawrence Haskell

Telephone No.: 509-477-5764

19. A Lis Pendens of said action was recorded July 1, 2025 under Auditor's File Number 7425520.

End of Special Exception

Order Number: 25-40576-VTE Guarantee No.: 000027419

INFORMATIONAL NOTES

Said necessary parties (other than those having a claim or interest by reason of matters shown in Exceptions) to be made defendants in said action to be brought by the plaintiff, are as follows:
 State Bank Northwest Lending Department
 12902 E Sprague Ave. Spokane Valley, WA 99216
 As disclosed by Exception # 11

Harold A Oosterhof 13046 McLean Rd. Mount Vernon, WA 98273 As disclosed by Exception # 12

Spokane County Noxious Weed Control Board 222 N Havana St. Spokane, WA 99202 As disclosed by Exception # 13

2. The name of a newspaper of general circulation for the publication of a notice of sale:

The Spokesman Review Spokane Valley News Herald Cheney Free Press

EXHIBIT A

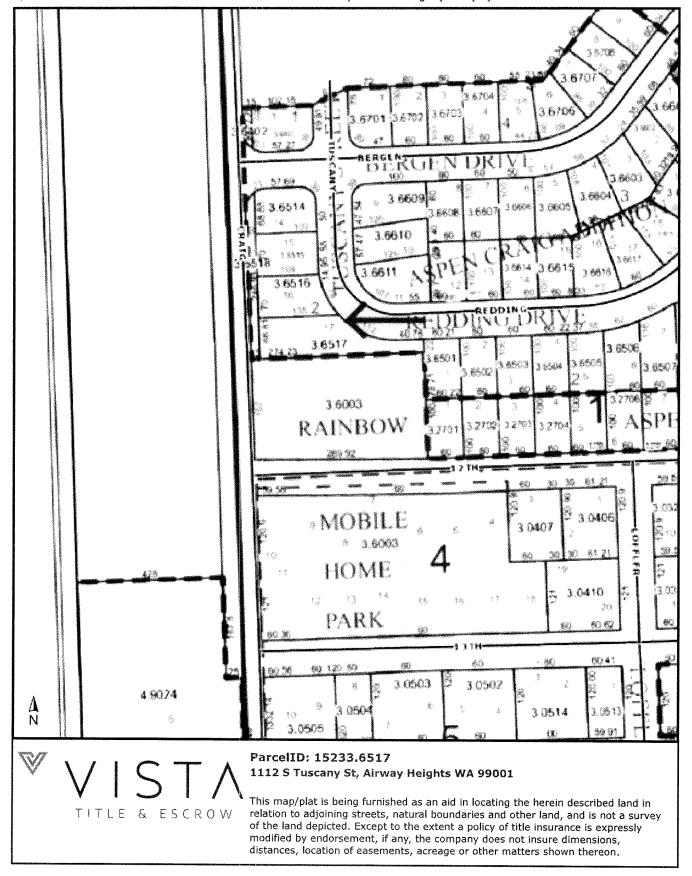
Order Number: 25-40576-VTE Guarantee No.: 000027419

PROPERTY DESCRIPTION:

Lot 17, Block 2, Aspen Craig Addition, as per plat thereof recorded in Volume 35 of Plats, Page(s) 98 and 99, records of Spokane County, Washington.

Situate in the County of Spokane, State of Washington.

Parcel No.: 15233.6517



08/31/2012 12:55:23 PM
Recording Fee \$63.00 Page 1 of 2
Deed FIRST, AMERICAN TITLE INSURANCE COMPANY
Spokane County Washington

Filed for Record at the Request of **Brock Law Firm, P.S.** 111 South Post Street, Suite 2280 Spokane, Washington 99201

BARGAIN AND SALE DEED

THE GRANTOR, State Bank Northwest, for and in consideration of Ten Dollars (\$10.00), in hand paid, bargains, sells, and conveys to Defender Homes Airway Heights, L.L.C., a Washington Limited Liability Company, the Grantee, the following-described real property, situate in the County of Spokane and State of Washington, to wit:

Lot 1, Block 1, Lots 2, 3, 14, 15, 16, and 17 Block 2 and Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9, Block 4, ASPEN CRAIG ADDITION, according to Plat recorded in Volume 35 of Plats, Pages 98 and 99 in Spokane County, Washington and Lots 12 and 13, Block 1, ASPEN GROVE 3RD ADDITION, according to Plat recorded in Volume 35 of Plats, Pages 51, 52 and 53, in Spokane County, Washington.

Parcel No's.: 15233.6401, 15233.6502, 15233.6503, 15233.6514, 15233.6515, 15233.6516, 15233.6517, 15233.6701, 15233.6702, 15233.6703, 15233.6704, 15233.6705, 15233.6706, 15233.6707, 15233.6708, 15233.6709, 15233.3212, 15233.3213

SUBJECT TO: rights reserved in federal patents or state deeds, reservations, restrictions, land use and zoning laws, plat dedications, and restrictive and protective covenants, easements and rights-of-way of record or in apparent use; and existing or future municipal, county, state or other governmental or quasi-governmental assessments.

DATED this 2 day of August, 2012.	
	"GRANTOR":
	State Bank Northwest By: Gregory S. Deckard, President/CEO
STATE of Washington)	
County of Spokane)	
	vidence that Gregory S. Deckard signed this I to execute the instrument and acknowledged he

is the President/CEO of State Bank Northwest, to be the free and voluntary act of such party for

DATED: August $\frac{20}{2}$, 2012

the uses and purposes mentioned in the instrument.

Signature of Notary Public

My Commission Expires: 3-/-20/3

02/14/2017 09:52:37 AM 6578850
Recording Fee \$22:00 Page 1 of 9
Daed 0f Trust FIRST, AMERICAN TITLE INSURANCE COMPANY
Spokane County Washington

RETURN ADDRESS:

State Bank Northwest Lending Department 12902 E. Sprague Avenue Spokane Valley, WA 99216-0732

2786523-BC

DEED OF TRUST

DATE: February 9, 2017

Reference # (if applicable): 4259-2786523

Additional on page ___

Grantor(s):

1. Defender Homes Airway Heights, L.L.C.

Grantee(s)

- 1. State Bank Northwest
- 2. UPF Washington Incorporated, a Washington corporation, Trustee

Legal Description: LOT 1, BLOCK 1; LOTS 2-13, 16-17 BLOCK 2; LOTS 1-20, BLOCK 3; LOTS 1-9 BLOCK 4, ASPEN CRAIG ADD., VOL. 35, P. 98-99, SPOKANE COUNTY

Additional on page 2

Assessor's Tax Parcel ID#: 15233.6505, 15233.6506, 15233.6511, 15233.6612, 15233.6602, 15233.6603, 15233.6608, 15233.6614, 15233.6615, 15233.6620, 15233.66701.	15233.6401, 15233.6502, 15233.6507, 15233.6508, 15233.6516, 15233.6604, 15233.6605, 15233.6610, 15233.6617, 15233.6702, 15233.6703	15233.6509, 15233.6517, 15233.6606, 15233.6612, 15233.6618,	15233.6504, 15233.6510, 15233.6601, 15233.6607, 15233.6613, 15233.6619, 15233.6705
15233.6620, 15233.6701, 15233.6706, 15233.6707, 152	15233.6702, 15233.6703, 33.6708, 15233.6709	15233.6704,	15233.6705,

THIS DEED OF TRUST is dated February 9, 2017, among Defender Homes Airway Heights, L.L.C., a Washington limited liability company, whose address is 14 F Street Suite 5, Cheney, WA 99004-5156 ("Grantor"); State Bank Northwest, whose mailing address is Lending Department, 12902 E. Sprague Avenue, Spokane Valley, WA 99216-0732 (referred to below sometimes as "Lender" and sometimes as "Beneficiary"); and UPF Washington Incorporated, a Washington corporation, whose mailing address is 12410 Mirabeau Parkway, Spokane Valley, WA 99216 (referred to below as "Trustee").

Page 2

CONVEYANCE AND GRANT. For valuable consideration, Grantor conveys to Trustee in trust with power of sale, right of entry and possession and for the benefit of Lender as Beneficiary, all of Grantor's right, title, and interest in and to the following described real property, together with all existing or subsequently erected or affixed buildings, improvements and fixtures; all essements, rights of way, and appurtenances; all water, water rights and ditch rights (including stock in utilities with ditch or irrigation rights); and all other rights, royalties, and profits relating to the real property, including without limitation all minerals, oil, gas, geothermal and similar matters, (the "Real Property") located in Spokane County, State of Washington:

PARCEL A:

LOT 1, BLOCK 1, LOTS 2, 3, 16 AND 17 BLOCK 2 AND LOTS 1, 2, 3, 4, 5, 6, 7, 8 AND 9 BLOCK 4, ASPEN CRAIG ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME 35 OF PLATS, PAGES 98 AND 99 IN SPOKANE COUNTY, WASHINGTON.

PARCEL B

LOTS 4 THRU 13, BLOCK 2 AND LOTS 1 THRU 20, BLOCK 3, ASPEN CRAIG ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME 35 OF PLATS, PAGES 98 AND 99 IN SPOKANE COUNTY, WASHINGTON.

The Real Property or its address is commonly known as NKA, Airway Heights, WA 99001. The Real Property tax identification number is 15233.6401, 15233.6502, 15233.6503, 15233.6505, 15233.6506, 15233.6507, 15233.6508, 15233.6504, 15233.6509. 15233.6511, 15233.6510, 15233.6512, 15233.6513, 15233.6516, 15233.6517, 15233.6604, 15233.6601, 15233.6602, 15233.6603, 15233.6605, 15233.6606. 15233.6609, 15233.6607. 15233.6608, 15233.6610, 15233.6611, 15233.6612, 15233.6613. 15233.6614, 15233.6615, 15233.6616, 15233.6617. 15233.6618, 15233.6619. 15233.6620, 15233.6701, 15233.6702. 15233.6703, 15233.6704. 15233.6705, 15233.6706, 15233.6707, 15233.6708, 15233.6709.

Grantor hereby assigns as security to Lender, all of Grantor's right, title, and interest in and to all leases, Rents, and profits of the Property. This assignment is recorded in accordance with RCW 65.08.070; the lien created by this assignment is intended to be specific, perfected and choate upon the recording of this Deed of Trust. Lender grants to Grantor a license to collect the Rents and profits, which license may be revoked at Lender's option and shall be automatically revoked upon acceleration of all or part of the Indebtedness. In addition, Grantor grants to Lender a Uniform Commercial Code security interest in the Personal Property and Rents.

THIS DEED OF TRUST, INCLUDING THE ASSIGNMENT OF RENTS AND THE SECURITY INTEREST IN THE RENTS AND PERSONAL PROPERTY, IS GIVEN TO SECURE (A) PAYMENT OF THE INDEBTEDNESS AND (B) PERFORMANCE OF ANY AND ALL OBLIGATIONS UNDER THE NOTE, THE RELATED DOCUMENTS, AND THIS DEED OF TRUST. THIS DEED OF TRUST IS GIVEN AND ACCEPTED ON THE FOLLOWING TERMS:

PAYMENT AND PERFORMANCE. Except as otherwise provided in this Deed of Trust, Grantor shall pay to Lender all amounts secured by this Deed of Trust as they become due, and shall strictly and in a timely manner perform all of Grantor's obligations under the Note, this Deed of Trust, and the Related Documents.

POSSESSION AND MAINTENANCE OF THE PROPERTY. Grantor agrees that Grantor's possession and use of the Property shall be governed by the following provisions:

Possession and Use. Until the occurrence of an Event of Default, Grantor may (1) remain in possession and control of the Property; (2) use, operate or manage the Property; and (3) collect the Rents from the Property (this privilege is a license from Lender to Grantor automatically revoked upon default). The following provisions relate to the use of the Property or to other limitations on the Property. The Real Property is not used principally for agricultural purposes.

Duty to Maintain. Grantor shall maintain the Property in tenantable condition and promptly perform all repairs, replacements, and maintenance necessary to preserve its value.

Compliance With Environmental Laws. Grantor represents and warrants to Lender that: (1) During the period of Grantor's ownership of the Property, there has been no use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance by any person on, under, about or from the Property; (2) Grantor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Lender in writing, (a) any breach or violation of any Environmental Laws, (b) any use, generation, manufacture, storage, treatment, disposal, release or threatened release of any Hazardous Substance on, under, about or from the Property by any prior owners or occupants of the Property, or (c) any actual or threatened litigation or claims of any kind by any person relating to such matters; and (3) Except as previously disclosed to and acknowledged by Lender in writing, (a) neither Grantor nor any tenant, contractor, agent or other authorized user of the Property shall use, generate, manufacture, store, treat, lospose of or release any Hazardous Substance on, under, about or from the Property; and (b) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation all Environmental Laws. Grantor authorizes Lender and its agents to enter upon the Property to make such inspections and tests, at Grantor's expense, as Lender may deem appropriate to determine compliance of the Property with this section of the Deed of Trust. Any inspections or tests made by Lender shall be for Lender's purposes only and shall not be construed to create any responsibility or liability on the part of Lender to Grantor or to any other person. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Property for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in t

Page 3

including the obligation to indemnify and defend, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Deed of Trust and shall not be affected by Lender's acquisition of any interest in the Property, whether by foreclosure or otherwise.

Nulsance. Waste. Grantor shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the Property or any portion of the Property. Without limiting the generality of the foregoing, Grantor will not remove, or grant to any other perty the right to remove, any timber, minerals (including oil and gas), coal, clay, scoria, soil, gravel or rock products without Lender's prior written consent.

Removal of Improvements. Grantor shall not demolish or remove any Improvements from the Real Property without Lender's prior written consent. As a condition to the removal of any Improvements, Lender may require Grantor to make arrangements satisfactory to Lender to replace such Improvements with Improvements of at least equal value.

Lender's Right to Enter. Lender and Lender's agents and representatives may enter upon the Real Property at all reasonable times to attend to Lender's interests and to inspect the Real Property for purposes of Grantor's compliance with the terms and conditions of this Deed of Trust.

Compliance with Governmental Requirements. Grantor shall promptly comply, and shall promptly cause compliance by all agents, tenants or other persons or entities of every nature whatsoever who rent, lease or otherwise use or occupy the Property in any manner, with all laws, ordinances, and regulations, now or hereafter in effect, of all governmental authorities applicable to the use or occupancy of the Property, including without limitation, the Americans With Disabilities Act. Grantor may contest in good faith any such law, ordinance, or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Grantor has notified Lender in writing prior to doing so and so long as, in Lender's sole opinion, Lender's interests in the Property are not jeopardized. Lender may require Grantor to post adequate security or a surety bond, reasonably satisfactory to Lender, to protect Lender's interest.

Duty to Protect. Grantor agrees neither to abandon or leave unattended the Property. Grantor shall do all other acts, in addition to those acts set forth above in this section, which from the character and use of the Property are reasonably necessary to protect and preserve the Property.

DUE ON SALE - CONSENT BY LENDER. Lender may, at Lender's option, (A) declare immediately due and payable all sums secured by this Deed of Trust or (B) increase the interest rate provided for in the Note or other document evidencing the Indebtedness and impose such other conditions as Lender deems appropriate, upon the sale or transfer, without Lender's prior written consent, of all or any part of the Real Property, or any interest in the Real Property, a "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, and contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Washington law.

TAXES AND LIENS. The following provisions relating to the taxes and liens on the Property are part of this Deed of Trust:

Payment. Grantor shall pay when due (and in all events prior to delinquency) all taxes, special taxes, assessments, charges (Including water and sewer), fines and impositions levied against or on account of the Property, and shall pay when due all claims for work done on or for services rendered or material furnished to the Property. Grantor shall maintain the Property free of all liens having priority over or equal to the interest of Lender under this Deed of Trust, except for the lien of taxes and assessments not due and except as otherwise provided in this Deed of Trust.

Right to Contest. Grantor may withhold payment of any tax, assessment, or claim in connection with a good faith dispute over the obligation to pay, so long as Lender's interest in the Property is not jeopardized. If a lien arises or is filed as a result of nonpayment, Grantor shall within fifteen (15) days after the lien arises or, if a lien is filed, within fifteen (15) days after Grantor has notice of the filing, secure the discharge of the lien, or if requested by Lender, deposit with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender in an amount sufficient to discharge the lien plus any costs and attorneys' fees, or other charges that could accrue as a result of a foreclosure or sale under the lien. In any contest, Grantor shall defend itself and Lender and shall satisfy any adverse judgment before enforcement against the Property. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings.

Evidence of Payment. Grantor shall upon demand furnish to Lender satisfactory evidence of payment of the taxes or assessments and shall authorize the appropriate governmental official to deliver to Lender at any time a written statement of the taxes and assessments against the Property.

Notice of Construction. Grantor shall notify Lender at least fifteen (15) days before any work is commenced, any services are furnished, or any materials are supplied to the Property, if any mechanic's lien, materialmen's lien, or other lien could be asserted on account of the work, services, or materials. Grantor will upon request of Lender furnish to Lender advance assurances satisfactory to Lender that Grantor can and will pay the cost of such improvements.

PROPERTY DAMAGE INSURANCE. The following provisions relating to insuring the Property are a part of this Deed of Trust.

Maintenance of Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a fair value basis for the full insurable value covering all improvements on the Real Property in an amount sufficient to avoid application of any coinsurance clause, and with a standard mortgagee clause in favor of Lender. Grantor shall also procure and maintain comprehensive general liability insurance in such coverage amounts as Lender may request with Trustee and Lender being named as additional insureds in such liability insurance policies. Additionally, Grantor shall meintain such other insurance, including but not limited to hazard, business interruption, and boiler insurance, as Lender may reasonably require. Policies shall be written in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least fifteen (15) days prior written notice to Lender. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. Should the Real Property be located in an area designated by the Administrator of the Federal Emergency Management Agency as a special flood hazard area, Grantor agrees to obtain and maintain Federal Flood Insurance, if available, within 45 days after notice is given by Lender that the

Page 4

Property is located in a special flood hazard area, for the full unpaid principal balance of the loan and any prior liens on the property securing the loan, up to the maximum policy limits set under the National Flood Insurance Program, or as otherwise required by Lender, and to maintain such insurance for the term of the loan.

Application of Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Property. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. Whether or not Lender's security is impaired, Lender may, at Lender's election, receive and retain the proceeds of any insurance and apply the proceeds to the reduction of the Indebtedness, payment of any lien affecting the Property, or the restoration and repair, Grantor shall repair or replace the damaged or destroyed Improvements in a manner satisfactory to Lender. Lender shall, upon satisfactory proof of such expenditure, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration if Grantor is not in default under this Deed of Trust. Any proceeds which have not been disbursed within 180 days after their receipt and which Lender has not committed to the repair or restoration of the Property shall be used first to pay any amount owing to Lender under this Deed of Trust, then to pay accrued interest, and the remainder, if any, shall be applied to the principal balance of the Indebtedness. If Lender holds any proceeds after payment in full of the Indebtedness, such proceeds shall be paid without interest to Grantor as Grantor's interests may appear.

Grantor's Report on Insurance. Upon request of Lender, however not more than once a year, Grantor shall furnish to Lender a report on each existing policy of insurance showing: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured, the then current replacement value of such property, and the manner of determining that value; and (5) the expiration date of the policy. Grantor shall, upon request of Lender, have an independent appraiser satisfactory to Lender determine the cash value replacement cost of the Property.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Property or if Grantor fails to comply with any provision of this Deed of Trust or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Deed of Trust or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Property and paying all costs for insuring, maintaining and preserving the Property. All such expensions are under the Note from the date incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the Indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Deed of Trust also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

WARRANTY; DEFENSE OF TITLE. The following provisions relating to ownership of the Property are a part of this Deed of Trust:

Title. Grantor warrants that: (a) Grantor holds good and marketable title of record to the Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Deed of Trust, and (b) Grantor has the full right, power, and authority to execute and deliver this Deed of Trust to Lender.

Defense of Title. Subject to the exception in the paragraph above, Grantor warrants and will forever defend the title to the Property against the lawful claims of all persons. In the event any action or proceeding is commenced that questions Grantor's title or the interest of Trustee or Lender under this Deed of Trust, Grantor shall defend the action at Grantor's expense. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of Lender's own choice, and Grantor will deliver, or cause to be delivered, to Lender such instruments as Lender may request from time to time to permit such participation.

Compliance With Laws. Grantor warrants that the Property and Grantor's use of the Property complies with all existing applicable laws, ordinances, and regulations of governmental authorities.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Deed of Trust shall survive the execution and delivery of this Deed of Trust, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's Indebtedness shall be paid in full.

CONDEMNATION. The following provisions relating to condemnation proceedings are a part of this Deed of Trust:

Proceedings. If any proceeding in condemnation is filed, Grantor shall promptly notify Lender in writing, and Grantor shall promptly take such steps as may be necessary to defend the action and obtain the award. Grantor may be the nominal party in such proceeding, but Lender shall be entitled to participate in the proceeding and to be represented in the proceeding by counsel of its own choice all at Grantor's expense, and Grantor will deliver or cause to be delivered to Lender such instruments and documentation as may be requested by Lender from time to time to permit such participation.

Application of Net Proceeds. If all or any part of the Property is condemned by eminent domain proceedings or by any proceeding or purchase in lieu of condemnation, Lender may at its election require that all or any portion of the net proceeds of the award be applied to the Indebtedness or the repair or restoration of the Property. The net proceeds of the award shall mean the award after payment of all reasonable costs, expenses, and attorneys' fees incurred by Trustee or Lender in connection with the condemnation.

IMPOSITION OF TAXES, FEES AND CHARGES BY GOVERNMENTAL AUTHORITIES. The following provisions relating to governmental taxes, fees and charges are a part of this Deed of Trust:

Current Taxes, Fees and Charges. Upon request by Lender, Grantor shall execute such documents in addition to this Deed of Trust and take whatever other action is requested by Lender to perfect and continue Lender's lien on the Real Property. Grantor shall reimburse Lender for all taxes, as described below, together with all expenses incurred in recording, perfecting or continuing this Deed of Trust, including without limitation all taxes, fees, documentary stamps, and other charges for recording or registering this Deed of Trust.

Taxes. The following shall constitute taxes to which this section applies: (1) a specific tax upon this type of Deed of Trust or upon all or any part of the Indebtedness secured by this Deed of Trust; (2) a specific tax on Grantor which Grantor is authorized or required to deduct from payments on the Indebtedness secured by this type of Deed of Trust; (3) a tax on this type of Deed of Trust chargeable against the Lender or the holder of the Note; and (4) a specific tax on all or any portion of the Indebtedness or on payments of principal and interest made by Grantor.

Page 5

Subsequent Taxes. If any tax to which this section applies is enacted subsequent to the date of this Deed of Trust, this event shall have the same effect as an Event of Default, and Lender may exercise any or all of its available remedies for an Event of Default as provided below unless Grantor either (1) pays the tax before it becomes delinquent, or (2) contests the tax as provided above in the Taxes and Liens section and deposits with Lender cash or a sufficient corporate surety bond or other security satisfactory to Lender.

SECURITY AGREEMENT; FINANCING STATEMENTS. The following provisions relating to this Deed of Trust as a security agreement are a part of this Deed of Trust:

Security Agreement. This instrument shall constitute a Security Agreement to the extent any of the Property constitutes fixtures, and Lender shall have all of the rights of a secured party under the Uniform Commercial Code as amended from time to time.

Security Interest. Upon request by Lender, Grantor shall take whatever action is requested by Lender to perfect and continue Lender's security interest in the Rents and Personal Property. In addition to recording this Deed of Trust in the real property records, Lender may, at any time and without further authorization from Grantor, file executed counterparts, copies or reproductions of this Deed of Trust as a financing statement. Grantor shall reimburse Lender for all expenses incurred in perfecting or continuing this security interest. Upon default, Grantor shall not remove, sever or detach the Personal Property from the Property. Upon default, Grantor shall any Personal Property not affixed to the Property in a manner and at a place reasonably convenient to Grantor and Lender and make it available to Lender within three (3) days after receipt of written demand from Lender to the extent permitted by applicable law.

Addresses. The mailing addresses of Grantor (debtor) and Lender (secured party) from which information concerning the security interest granted by this Deed of Trust may be obtained (each as required by the Uniform Commercial Code) are as stated on the first page of this Deed of Trust.

FURTHER ASSURANCES; ATTORNEY-IN-FACT. The following provisions relating to further assurances and attorney-in-fact are a part of this Deed of Trust:

Further Assurances. At any time, and from time to time, upon request of Lender, Grantor will make, execute and deliver, or will cause to be made, executed or delivered, to Lender or to Lender's designee, and when requested by Lender, cause to be filed, recorded, refiled, or rerecorded, as the case may be, at such times and in such offices and places as Lender may deem appropriate, any and all such mortgages, deeds of trust, security deeds, security agreements, financing statements, continuation statements, instruments of further assurance, certificates, and other documents as may, in the sole opinion of Lender, be necessary or desirable in order to effectuate, complete, perfect, continue, or preserve (1) Grantor's obligations under the Note, this Deed of Trust, and the Related Documents, and (2) the liens and security interests created by this Deed of Trust as first and prior liens on the Property, whether now owned or hereafter acquired by Grantor. Unless prohibited by law or Lender agrees to the contrary in writing, Grantor shall reimburse Lender for all costs and expenses incurred in connection with the matters referred to in this paragraph.

Attorney-in-Fact. If Grantor fails to do any of the things referred to in the preceding paragraph, Lender may do so for and in the name of Grantor and at Grantor's expense. For such purposes, Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact for the purpose of making, executing, delivering, filing, recording, and doing all other things as may be necessary or desirable, in Lender's sole opinion, to accomplish the matters referred to in the preceding paragraph.

FULL PERFORMANCE. If Grantor pays all the Indebtedness when due, and otherwise performs all the obligations imposed upon Grantor under this Deed of Trust, Lender shall execute and deliver to Trustee a request for full reconveyance and shall execute and deliver to Grantor suitable statements of termination of any financing statement on file evidencing Lender's security interest in the Rents and the Personal Property. Any reconveyance fee shall be paid by Grantor, if permitted by applicable law. The grantee in any reconveyance may be described as the "person or persons legally entitled thereto", and the recitals in the reconveyance of any matters or facts shall be conclusive proof of the truthfulness of any such matters or facts.

EVENTS OF DEFAULT. Each of the following, at Lender's option, shall constitute an Event of Default under this Deed of Trust:

Payment Default. Grantor fails to make any payment when due under the indebtedness.

Other Defaults. Grantor fails to comply with or to perform any other term, obligation, covenant or condition contained in this Deed of Trust or in any of the Related Documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Grantor.

Compliance Default. Failure to comply with any other term, obligation, covenant or condition contained in this Deed of Trust, the Note or in any of the Related Documents.

Default on Other Payments. Failure of Grantor within the time required by this Deed of Trust to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

Default in Favor of Third Parties. Should Grantor default under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Grantor's property or Grantor's ability to repay the Indebtedness or Grantor's ability to perform Grantor's obligations under this Deed of Trust or any of the Related Documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Grantor or on Grantor's behalf under this Deed of Trust or the Related Documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Defective Collateralization. This Deed of Trust or any of the Related Documents ceases to be in full force and effect (including failure of any collateral document to create a valid and perfected security interest or lien) at any time and for any reason.

Death or Insolvency. The dissolution of Grantor's (regardless of whether election to continue is made), any member withdraws from the limited liability company, or any other termination of Grantor's existence as a going business or the death of any member, the insolvency of Grantor, the appointment of a receiver for any part of Grantor's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Grantor.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantor or by any governmental agency against any property securing the Indebtedness. This includes a garnishment of any of Grantor's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Grantor as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Grantor gives Lender written notice of the creditor or forfeiture proceeding and deposits with

Page 6

Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Breach of Other Agreement. Any breach by Grantor under the terms of any other agreement between Grantor and Lender that is not remedied within any grace period provided therein, including without limitation any agreement concerning any indebtedness or other obligation of Grantor to Lender, whether existing now or later.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the Indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any Guaranty of the Indebtedness.

Adverse Change. A material adverse change occurs in Grantor's financial condition, or Lender believes the prospect of payment or performance of the indebtedness is impaired.

Insecurity. Lender in good faith believes itself insecure.

Right to Cure. If any default, other than a default in payment, is curable and if Grantor has not been given a notice of a breach of the same provision of this Deed of Trust within the preceding twelve (12) months, it may be cured if Grantor, after Lender sends written notice to Grantor demanding cure of such default: (1) cures the default within fifteen (15) days; or (2) if the cure requires more than fifteen (15) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compilance as soon as reasonably practical.

RIGHTS AND REMEDIES ON DEFAULT. If an Event of Default occurs under this Deed of Trust, at any time thereafter, Trustee or Lender may exercise any one or more of the following rights and remedies:

Election of Remedies. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Deed of Trust, after Grantor's failure to perform, shall not affect Lender's right to declare a default and exercise its remedies.

Accelerate Indebtedness. Lender shall have the right at its option to declare the entire Indebtedness immediately due and payable, including any prepayment penalty which Grantor would be required to pay.

Foreclosure. With respect to all or any part of the Real Property, the Trustee shall have the right to exercise its power of sale and to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

UCC Remedies. With respect to all or any part of the Personal Property, Lender shall have all the rights and remedies of a secured party under the Uniform Commercial Code.

Collect Rents. Lender shall have the right, without notice to Grantor to take possession of and manage the Property and collect the Rents, including amounts past due and unpaid, and apply the net proceeds, over and above Lender's costs, against the Indebtedness. In furtherance of this right, Lender may require any tenant or other user of the Property to make payments of rent or use fees directly to Lender. If the Rents are collected by Lender, then Grantor irrevocably designates Lender as Grantor's attorney-in-fact to endorse instruments received in payment thereof in the name of Grantor and to negotiate the same and collect the proceeds. Payments by tenants or other users to Lender in response to Lender's demand shall satisfy the obligations for which the payments are made, whether or not any proper grounds for the demand existed. Lender may exercise its rights under this subparagraph either in person, by agent, or through a receiver.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Property, with the power to protect and preserve the Property, to operate the Property preceding or pending foreclosure or sale, and to collect the Rents from the Property and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Property exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a

Tenancy at Sufferance. If Grantor remains in possession of the Property after the Property is sold as provided above or Lender otherwise becomes entitled to possession of the Property upon default of Grantor, Grantor shall become a tenant at sufferance of Lender or the purchaser of the Property and shall, at Lender's option, either (1) pay a reasonable rental for the use of the Property, or (2) vacate the Property immediately upon the demand of

Other Remedies. Trustee or Lender shall have any other right or remedy provided in this Deed of Trust or the Note or available at law or in equity.

Notice of Sale. Lender shall give Grantor reasonable notice of the time and place of any public sale of the Personal Property or of the time after which any private sale or other intended disposition of the Personal Property is to be made. Reasonable notice shall mean notice given at least ten (10) days before the time of the sale or disposition. Any sale of the Personal Property may be made in conjunction with any sale of the Real Property.

Sale of the Property. To the extent permitted by applicable law, Grantor hereby waives any and all rights to have the Property marshalled. In exercising its rights and remedies, the Trustee or Lender shall be free to sell all or any part of the Property together or separately, in one sale or by separate sales. Lender shall be entitled to bid at any public sale on all or any portion of the Property.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Deed of Trust, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees, title insurance, and fees for the Trustee, to the extent permitted by applicable law. Grantor also will pay any court costs, in addition to all other sums provided by law.

Rights of Trustee. Trustee shall have all of the rights and duties of Lender as set forth in this section.

POWERS AND OBLIGATIONS OF TRUSTEE. The following provisions relating to the powers and obligations of Trustee (pursuant to Lender's instructions) are part of this Deed of Trust:

Powers of Trustee. In addition to all powers of Trustee arising as a matter of law, Trustee shall have the power to take the following actions with respect to the Property upon the written request of Lender and Grantor: (a) join in

Page 7

preparing and filing a map or plat of the Real Property, including the dedication of streets or other rights to the public; (b) join in granting any easement or creating any restriction on the Real Property; and (c) join in any subordination or other agreement affecting this Deed of Trust or the interest of Lender under this Deed of Trust.

Obligations to Notify. Trustee shall not be obligated to notify any other party of a pending sale under any other trust deed or lien, or of any action or proceeding in which Grantor, Lender, or Trustee shall be a party, unless required by applicable law, or unless the action or proceeding is brought by Trustee.

Trustee. Trustee shall meet all qualifications required for Trustee under applicable law. In addition to the rights and remedies set forth above, with respect to all or any part of the Property, the Trustee shall have the right to foreclose by notice and sale, and Lender shall have the right to foreclose by judicial foreclosure, in either case in accordance with and to the full extent provided by applicable law.

Successor Trustee. Lender, at Lender's option, may from time to time appoint a successor Trustee to any Trustee appointed under this Deed of Trust by an instrument executed and acknowledged by Lender and recorded in the office of the recorder of Spokane County, State of Washington. The instrument shall contain, in addition to all other matters required by state law, the names of the original Lender, Trustee, and Grantor, the book and page or the Auditor's File Number where this Deed of Trust is recorded, and the name and address of the successor trustee, and the instrument shall be executed and acknowledged by Lender or its successors in interest. The successor trustee, without conveyance of the Property, shall succeed to all the title, power, and duties conferred upon the Trustee in this Deed of Trust and by applicable law. This procedure for substitution of Trustee shall govern to the exclusion of all other provisions for substitution.

NOTICES. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, any notice required to be given under this Deed of Trust, including without limitation any notice of default and any notice of sale shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Deed of Trust. All copies of notices of foreclosure from the holder of any lien which has priority over this Deed of Trust shall be sent to Lender's address, as shown near the beginning of this Deed of Trust. Any party may change its address for notices under this Deed of Trust by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Subject to applicable law, and except for notice required or allowed by law to be given in another manner, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Deed of Trust:

Amendments. This Deed of Trust, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Deed of Trust. No alteration of or amendment to this Deed of Trust shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Annual Reports. If the Property is used for purposes other than Grantor's residence, Grantor shall furnish to Lender, upon request, a certified statement of net operating income received from the Property during Grantor's previous fiscal year in such form and detail as Lender shall require. "Net operating income" shall mean all cash receipts from the Property less all cash expenditures made in connection with the operation of the Property.

Caption Headings. Caption headings in this Deed of Trust are for convenience purposes only and are not to be used to interpret or define the provisions of this Deed of Trust.

Merger. There shall be no merger of the interest or estate created by this Deed of Trust with any other interest or estate in the Property at any time held by or for the benefit of Lender in any capacity, without the written consent of Lender.

Governing Law. This Deed of Trust will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Washington without regard to its conflicts of law provisions. This Deed of Trust has been accepted by Lender in the State of Washington.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Spokane County, State of Washington.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Deed of Trust unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Deed of Trust shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Deed of Trust. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Deed of Trust, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Severability. If a court of competent jurisdiction finds any provision of this Deed of Trust to be illegal, invalid, or unenforceable as to any other circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Deed of. Trust. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Deed of Trust shall not affect the legality, validity or enforceability of any

Successors and Assigns. Subject to any limitations stated in this Deed of Trust on transfer of Grantor's interest, this Deed of Trust shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Deed of Trust and the Ideothedness by way of forbearance or extension without releasing Grantor from the obligations of this Deed of Trust or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Deed of Trust.

Waiver of Homestead Exemption. Grantor hereby releases and waives all rights and benefits of the homestead exemption laws of the State of Washington as to all Indebtedness secured by this Deed of Trust.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Deed of Trust. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Deed of Trust shall

Page 8

have the meanings attributed to such terms in the Uniform Commercial Code:

Beneficiary. The word "Beneficiary" means State Bank Northwest, and its successors and assigns.

Borrower. The word "Borrower" means Defender Homes Airway Heights, L.L.C. and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Deed of Trust. The words "Deed of Trust" mean this Deed of Trust among Grantor, Lender, and Trustee, and includes without limitation all assignment and security interest provisions relating to the Personal Property and

Default. The word "Default" means the Default set forth in this Deed of Trust in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazerdous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Deed of Trust in the events of default section of this Deed of Trust.

Grantor. The word "Grantor" means Defender Homes Airway Heights, L.L.C..

Guarantor. The word "Guarantor" means any guarantor, surety, or accommodation party of any or all of the Indebtedness.

Guaranty. The word "Guaranty" means the guaranty from Guarantor to Lender, including without limitation a guaranty of all or part of the Note.

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

The word "Improvements" means all existing and future improvements, buildings, structures, mobile homes affixed on the Real Property, facilities, additions, replacements and other construction on the Real

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Trustee or Lender to enforce Grantor's obligations under this Deed of Trust, together with interest on such amounts as provided in this Deed of Trust.

Lender. The word "Lender" means State Bank Northwest, its successors and assigns.

Note. The word "Note" means the promissory note dated February 9, 2017, in the original principal amount of \$880,000.00 from Grantor to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Personal Property. The words "Personal Property" mean all equipment, fixtures, and other articles of personal property now or hereafter owned by Grantor, and now or hereafter attached or affixed to the Real Property; together with all accessions, parts, and additions to, all replacements of, and all substitutions for, any of such property; and together with all issues and profits thereon and proceeds (including without limitation all insurance proceeds and refunds of premiums) from any sale or other disposition of the Property.

Property. The word "Property" means collectively the Real Property and the Personal Property.

Real Property. The words "Real Property" mean the real property, interests and rights, as further described in this Deed of Trust.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in action with the indebtedness; provided, that guaranties are not "Related Documents" and are not secured by this Deed of Trust.

Rents. The word "Rents" means all present and future rents, revenues, income, issues, royalties, profits, and other benefits derived from the Property.

Trustee. The word "Trustee" means UPF Washington Incorporated, a Washington corporation, whose mailing address is 12410 Mirabeau Parkway, Spokane Valley, WA 99216 and any substitute or successor trustees

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS DEED OF TRUST, AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

DEFENDER HOMES AIRWAY HEIGHTS, L.L.C.

nan, Manager of Defender Homes Airway Heights,

L.L.C.

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Page 9

LIBRITED LIABBITY COMPANY	A OVEROVE ED ONEDIT
LIMITED LIABILITY COMPANY	ACKNOWLEDGMENT
state of Washington country of Spokane	1
S 40.00) SS
COUNTY OF SPOKANE)
On this Other Public, personally appeared Steven C Emtran, Manager personally known to me or proved to me on the basis of satisfacto the limited liability company that executed the Deed of Trust and a voluntary act and deed of the limited liability company, by auth operating agreement, for the uses and purposes therein mentioned, execute this Deed of Trust and in fact executed the Deed of Trust of By Manager Ma	ry evidence to be a member or designated agent or acknowledged the Deed of Trust to be the free and pority of statute, its articles of organization or its and on oath stated that he or she is authorized to
REQUEST FOR FULL REC	CONVEYANCE
To:, Trustee	
The undersigned is the legal owner and holder of all indebtedness requested, upon payment of all sums owing to you, to reconvey wi right, title and interest now held by you under the Deed of Trust.	s secured by this Deed of Trust. You are hereby thout warranty, to the persons entitled thereto, the
Date:	Beneficiary:
	Ву:
	lts:
LaserPro, Ver. 16.4.0.017 Copr. D+H USA Corporation 19 H:\HARLAND\CFI\LPL\G01.FC	

Notary Public
State of Washington
CHRISTINA M. HAMMOND
MY COMMISSION EXPIRES
AUGUST 15, 2019

7164328 12/22/2021 02:54:24 PM

Rec Fee: \$208.50 Page 1 of 5

Deed Of Trust SIMPLIFILE LC E-RECORDING

Spokane County Washington eRecorded

Filed for record at the request of:

Puget Sound Investors P.O. Box 2116

Mount Vernon, WA 98273

DOCUMENT TITLE: DEED OF TRUST

GRANTOR: DEFENDER HOMES AIRWAY HEIGHTS, LLC

GRANTEE/BENE.: OOSTERHOF, HAROLD A.

GRANTEE/TRUSTEE: REAL ESTATE MANAGEMENT CORPORATION

LEGAL DESC.: Lots 6-11 & 17, Block 2 & Lot 12, Block 3, Aspen Craig Add

TAX PARCEL NOS.: 15233.6506, 15233.6507, 15233.6508, 15233.6509, 15233.6510, 15233.6511,

15233.6517, 15233.6612

DEED OF TRUST

THIS DEED OF TRUST, made this day of December, 2021, between DEFENDER HOMES AIRWAY HEIGHTS, LLC, a Washington Limited Liability Company, GRANTOR, the address of which is PO Box 620, Cheney, WA 99004, REAL ESTATE MANAGEMENT CORPORATION, a Washington Corporation, TRUSTEE, the address of which is P.O. Box 2116, Mount Vernon, WA 98273, and HAROLD A. OOSTERHOF, a single man, whose address is 13046 McLean Road, Mount Vernon, WA 98273.

WITNESSETH: Grantor, in consideration of the acceptance by Trustee of the trust hereunder, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in order to secure the payment of the indebtedness evidenced by the promissory note of even date, with interest thereon, and any other sums payable thereunder and hereunder, and to secure the performance of the obligations contained herein, grant, bargain, sell and convey to Trustee and its successors and assigns forever, in trust, with power of sale, right of entry, and possession and for the benefit of the Beneficiaries, all of Grantor's estate, right, title, interest, claim and demand in the property located in Spokane County, State of Washington, described as follows:

(a) Legal Description:

Lots 6, 7, 8, 9, 10, 11, and 17, Block 2 and Lot 12, Block 3, Aspen Craig Addition, according to plat recorded in Volume 35 of Plats, Pages 98 and 99 in Spokane County, Washington.

- (b) All buildings, structures and other improvements now or hereafter erected on the real property;
- (c) All fixtures and trade fixtures used in association with the improvements on the real property;
- (d) All personal property placed upon or used in conjunction with the real property;
- (e) All of the Grantors' rights as landlord in and to all existing and future leases and tenancies, whether p. 1 of 5 Deed of Trust

written or oral, and any issues or profits thereof.

(f) The rights to the proceeds of sale of any of the foregoing.

The described real property is not used principally for agricultural purposes (which is defined as an operation to produce crops, livestock or aquatic goods), together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of grantor herein contained, and payment of the sum of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (US \$500,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantors, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantors, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon. The term "Grantor" as used in this agreement includes the "Borrower" as defined in RCW 61.24, if the Borrower is a person or entity other than the Grantor.

To protect the security of this Deed of Trust, Grantors covenant and agree:

- 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, regulations, covenants, conditions and restrictions affecting the property.
- 2. Grantors shall not cause, conduct or permit any nuisance nor commit, permit, or suffer any stripping of or waste on or to the property or any portion of the property. Without limiting the generality of the foregoing, Grantors will not remove, or grant to any other party the right to remove, any timber, minerals (including oil and gas), soil, gravel, or rock products without the prior written consent of Lender.
- 3. Lender and its agents and representatives may enter upon the Real Property at all reasonable times to attend to Lenders interests and to inspect the property for purposes of Grantors compliance with the terms and conditions of this Deed of Trust.
- 4. 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.
- 5. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantors. 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 the Grantors in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
- 6. 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 action or proceeding, and in any suit brought be Beneficiary to foreclose this Deed of Trust.
- 7. 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 fees, attorney's fees, appraisal fees (including those related to any action for a deficiency judgment) actually incurred, as provided by statute.
- 8. Should Grantors fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

- 1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
- 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.
- 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 obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
- 4. Each of the following, at the option of the Beneficiary, shall constitute an event of default under this Deed of Trust:
- a. Default in Indebtedness: Failure of Grantors to make any payment when due on the indebtedness.
- b. Default on Other Payments: Failure of Grantors within the time required by this Deed of Trust to make any payment for taxes or any other payment necessary to prevent filing of or to effect discharge of any lien.
- c. Compliance Default: Failure of Grantors to comply with any other term, obligation, covenant or condition contained in this Deed of Trust or Note.
- d. Defective Collateralization: This Deed of Trust ceases to be in full force and effect at any time for any reason.
- e. Foreclosure: Commencement of foreclosure proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Grantors or by any governmental agency against any of the real property described herein.
- 5. Upon occurrence of any event of default and at any time thereafter, all sums secured hereby shall immediately become due and payable, at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Pursuant to RCW 62.9-501(4), if this deed of trust encumbers both real and personal property, the trustee is authorized to sell all or any portion of the grantor's interest in the real and personal property at the trustee's sale. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale 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 persons entitled thereto. With regard to any personal property, fixtures, assignments of choses, such security may be foreclosed as provided herein, or as may otherwise be provided by law.
- 6. Nothing herein contained shall prohibit Beneficiary from pursuing any other remedy available to it or its successor at law. Specifically, Beneficiary or Trustee shall be entitled to take possession of any property defined as security hereunder, to marshal the assets defined as security hereunder, and to the appointment of a receiver in the manner provided by law, without regard to the sufficiency of the property or any other security for the indebtedness secured hereby, which receiver shall be entitled to collect the rents, profits, proceeds of sale, or other income generated by the property used as security hereunder, and the application of such sums to the indebtedness owed Beneficiary. Beneficiary, or Beneficiary's agent or designee, shall be entitled to act in the capacity of receiver without necessity of appointment by the court having jurisdiction, and without bond. In the event Beneficiary obtains the appointment of a receiver from a court of competent jurisdiction, Beneficiary may so act or may designate Beneficiary's agent so to act, without bond to the extent allowed by law. The costs of such receivership shall be added to and become a part of the debt secured by this Deed of Trust.
- 7. 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 his execution of this Deed of Trust, and such as he 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 bona fide purchasers and encumbrancers for value.
- 8. 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.

- 9. In the event of the death, incapacity, disability or resignation of Trustee or the election of the beneficiary to replace the trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
- This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.
- This Deed of Trust is personal to the Grantor herein. In the event of the sale, lease, assignment or transfer of all or a part of the Grantors interest in the real property, whether legal, beneficial or equitable, the full balance of principal and interest due on the Note secured by this Deed of Trust shall be due and payable in full. However, provided that the Grantor is in full compliance with the terms and conditions of this Deed of Trust and the Promissory Note secured thereby, individual parcels shall be released from the Deed of Trust in consideration of a principal reduction payment to the beneficiary in the amount of \$75,000.00 per lot to be released, or by providing suitable replacement collateral acceptable to the Beneficiary.

DEFENDER HOMES AIRWAY HEIGHTS, LLC

Bv:

STEVEN C. EMTMAN, Managing Member

STATE OF WASHINGTON

) ss

COUNTY OF SPOKANE

On this day personally appeared before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, STEVEN C. EMTMAN, to me known to be the Managing Member of DEFENDER HOMES AIRWAY HEIGHTS, LLC, the limited liability company that executed the foregoing instrument, and acknowledged the said instrument to be his free and voluntary act and deed for the uses and purposes therein mentioned, and that he is authorized to execute the same.

Witness my hand and official seal this 2 day of December. 2021.

TARY PUBLIC in and for the State of

Washington, residing at Sobka

My appointment expires 12/08

GRETA EBRECH NOTARY PUBLIC #13656 STATE OF WASHINGTON COMMISSION EXPIRES **FEBRUARY 8, 2024**

REQUEST FOR FULL RECONVEYANCE

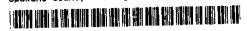
Do Not Record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid 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, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the 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 thereunder.

Dated this _	day of	, 20

10/17/2022 11:25:27 AM 72
Recording Fee \$40.08 Page 1 of 2
Lien SPOKANE COUNTY NOXIOUS WEEK CONTROL BOARD
Spokane County Washington



SPOKANE COUNTY NOXIOUS WEED CONTROL BOARD **222 N HAVANA** SPOKANE, WA 99202 (509) 477-5777

LIEN FOR LABOR, MATERIALS AND EQUIPMENT **USED IN CONTROLLING NOXIOUS WEEDS**

SPOKANE COUNTY NOXIOUS WEED CONTROL BOARD, Claimant **DEFENDER HOMES AIRWAY HEIGHTS, LLC**

Notice is hereby given that on August 1, 2022 the Spokane County Noxious Weed Control Board. pursuant to R.C.W. Chapter 17.10, as amended, after having duly notified the owner that a violation of Chapter 17.10 exists, commenced to perform labor, furnish materials and supply equipment for the abatement of noxious weeds upon:

PARCEL'S:	15233.65 0 6	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 6 BLK 2 (AFN 5892427)
	15233.6507	
	15233.6508	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 8 BLK 2
	15233.6509	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 9 BLK 2
	15233.6510	23-25-41 SW ¼ ASPEN CRAIG ADD: LOT 10 BLK 2
	15233.6511	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 11 BLK 2
	15233.6516	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 16 BLK 2
	15233.6517	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 17 BLK 2
	15233.6601	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 1 BLK 3
	15233.6602	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 2 BLK 3
	15233.6603	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 3 BLK 3
	15233.6604	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 4 BLK 3
	15233.6605	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 5 BLK 3
	15233.6606	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 6 BLK 3
	15233.6607	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 7 BLK 3
	15233.6608	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 8 BLK 3
	15233.6609	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 9 BLK 3
	15233.6610	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 10 BLK 3
	15233.6611	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 11 BLK 3
	15233.6612	23-25-41 SW 1/4 ASPEN CRAIG ADD: LQT 12 BLK 3
	15233.6613	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 13 BLK 3
	15233.6614	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 14 BLK 3
	15233.6615	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 15 BLK 3
	15233.6616	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 16 BLK 3
	15233.6617	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 17 BLK 3
	15233.6618	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 18 BLK 3
	15233.6619	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 19 BLK 3
	15233.6620	23-25-41 SW 1/4 ASPEN CRAIG ADD: LOT 20 BLK 3

of which the property owner, or reputed owner is:

DEFENDER HOMES AIRWAY HEIGHTS, LLC 15202 E SPRAGUE AVE #667 **SPOKANE VALLEY, WA 99037**

7247178 Page 2 of 2 10/17/2022 11:25:27 AM

the performance of which labor, furnishing material and supplying of equipment ceased on August 1, 2022 and that such labor, materials and equipment, plus fees, has the value of \$967.14 and the undersigned claims a lien upon the property herein described for \$967.14.

Spokane County Noxious Weed Control Board

STATE OF WASHINGTON

COUNTY OF SPOKANE

} SS

Tracie L. Oxford, being sworn, says: I am the Office Manager for the Spokane County Noxious Weed Control Board, claimant above named; I have heard the foregoing claims, read and know the contents thereof, and believe the same to be just.

Office Manager, Spokare County Noxious Weed Control Board

SUBSCRIBED and SWORN to before me this 11 day of October 2022



NOTARY PUBLIC IN AND FOR THE STATE OF WASHINGTON, RESIDING AT SPOKANE

5892427

FINAL PLAT OF ASPEN CRAIG ADDITION

SUB 06-01
IN THE SOUTHWEST 1/4 OF SECTION 23,
TOWNSHIP 25 NORTH, RANGE 41 EAST, W.M.,
CITY OF AIRWAY HEIGHTS, SPOKANE COUNTY, WASHINGTON

PW#4079

SECKANE COUNTY AUDITOR

Find for need this fe day of ABNI — 20.10

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ILLETT CASADUST SOMM ON THE ERRYN ECCHONED PLAT, AND HERRIN ETHICATE ON THE USE OF SERVING ILLETT CASADUST DE HE CONTRICTOR CONTRICTOR AND THE CO ATERATION OR FILING IN OF SHALE AREAS IS PROHIBITED. ADJACENT PROPERTY DINICES SHALL BE REQUIRED TO MATERIANCE PREASHINGL. THE PLATTOR HAVES ALL CLAIMS FOR DAMAGES AGAINST ANY CONSTRUCTION ALMOSTITY WHICH MAY BE OCCASIONED TO THE ADJACENT LAND BY THE ESTABLISHED CONSTRUCTION GRAWAGE AND HAMTENANCE OF SAID ROADS.

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bulding setbacks shall be as shown, or as required by armay heights wundpal code, whichever is greater. IVON DISTRICT APPROVAL. THE U.S. POSTAL SEVACE WIL PROVIDE CONTRAL EXCURPT CREATERS IT (SEVES) WHEN MASSES CHARLE MORTHON. THE (DUSTAINS OF THE CHARLE SEVENCE AND ADMITTED AND THE CHARLE SEVENCE AND ADMITTED AND THE CHARLE SEVENCE AND ADMITTED AND THE CHARLE SEVENCE AND ADMITTED SHOULD HAVE IT CONSTRUCTED SHOULD HAVE IT CONSTRUCTED SHOULD HAVE IT CONSTRUCTED SHOULD HAVE IT CONSTRUCTED SHOULD HAVE AND CHARLE SHOULD HAVE AND ADMITTED AND ADMITTED SHOULD HAVE AND CHARLE SHOULD HAVE AND ADMITTED AND ADMITTED SHOULD HAVE AND CHARLE SHOULD HAVE AND ADMITTED AND ADMITTED SHOULD HAVE AND ADMITTED AND ADMITTED AND ADMITTED SHOULD HAVE AND ADMITTED ADMITTED AND ADMITTED ADMITTED AND ADMITTED AND ADMITTED ADMITTED ADMITTED AND ADMITTED ADMITTED ADMITTED AND ADMITTED ADMITTE

SCONDARY EMERGENCY ACCESS SMALL BE CONSTRUCTED AND APPROVED BY THE FIRE MARSHAL PROR TO SCONDARY EMERGENCY ACCESSINE AT ALL INVEST. he lots bordering chaig road to the east shall front on Tuscany Street. These lots shall not have gicess oh chaig road, these are lots (of 1, 840ex 1; and (ofs 1-4, 840ex 2

THE USE OF PRIVATE WELLS AND/OR WATER SYSTEMS IS PROHISITED. THE PARISON WATER STEEL PRESENTE TO THE WATER PLAN JOHANDO BY THE CITY OF MARKY HEIGHTS PARISON. WARNS CENTRUENT, BULL BE KEITALLE WHICH THE WARN THE SERVICE WE THE PARISON OF THE PARISON SHAPE WATER SERVICE AS WELL AS THE PERIORIZING (FIRE TION PRODUBLESHED WATER SERVICE AS WELL AS THE PERIORIZING (FIRE TION PRODUBLESHED WATER SHAPE ACT) TO SECUL OF THEMSE

a public sener system will be made available for the plat, and individual sonnoes will be provided to Each lot prior to sale. The use of individual on—site disposal systems is provibited. debil serbes saal, be constructed to provide for the confection of each parcel to the city's stream Of seafface. Uses on properties whom the project saal, be required to confect to the seafs and Day applicable charges for the city seafs dedinance.

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SURVEYOR'S NOTES:

- ## COMMENT LUMANDITATION LAW WATE PERSONNE ON ECCENTRE STREETS, DAE OF THE TALLORMEN THESE OF HUMBORITHEN MAN BELLOW ## TO HUMBORITH HAS BELLOW ## TO HUMBORITH ON BOOK.

EQUIPMENT & PROCEDURES

THE HIG 332-130-060 FEED PRIVENCE PROCEDURES FOR LIAID BRAINDARY
STREET HE STATE OF THE THE PROCEDURES FOR HIS THERE (CITY /
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FOR MIC 332-130-100 HIS TRIPHEN WAS UTILIZED HITHER FEED REVERES.
FROCEDURE.

PURPOSE OF THE SURVEY

THE PURPOSE OF THIS SURVEY IS TO PLAT SAID LEGAL DESCRIPTION INTO LOTS, BLOCKS, NAME STREETS AND SET THE CORNERS, AS SHOWN,

CORNER_VISITATION:

MONUMENTS SHOWN AS FOUND AND TED HEREON WERE VISITED BETWEEN APRIL JOTH, 2004 AND FEB., 2008.

UNECCORDE DECUMENTS, MARE DECOS, PRESCORPIDOUS, NERBAL CONTRACES AND LISEMENTS DAY DUST HANT DETECT HE MAPPED HARELESS OF THIS SEMENT. NO ATTEMPT WAS MARE TO JUST ANY OF ME APPENDIATIONS. THE APPENDIATION THE APPENDIATION TO HERP THE APPENDIATION DECESSARY. THE TO HERP NO CONTRACT HAR DECOSARY AND CONTRACT OF MARIA APPENDIATION AND LOOK TON GARS.

OFFICIAL DOCUMENTS & MAPS REFERENCED:

- LINDING MARKET ECO, AN ADVISOR TO BE CONTROLLED AND AN ADVISOR AND OPERATIONS AND ADVISORS.

 LINDING MARKET ECO, AN ADVISOR TO BE CONTROLLED AND ADVISORS AND ADV

CITY PLANNER

Examined and approved this 30th day of Republic and approved this 3010 Haple City Planner

CITY ENGINEER

Examined and approved this standard day of Ayro.

Oliv Engineer

Affair and approved this 5-14 day of Affair City Major

CITY MAYOR

Altest: Richmod. G. Good

POKANE COUNTY TREASURER

hereby certify that the required loans on the herein platted land have been hally poid this 12th day of the land have of the land have been hally poid this 12th day of the land hall have been the land by the land have been solven to be solven to recourse the land hall have been solven to be solven to be

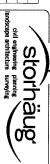


SURVEYOR'S CERTIFICATE:

This find plat was surveyed and proposed by me or under my supervision and is a true and correct representation the subject properly and permanent control monuments the subject properly and permanent control monuments of each parcel of fund being created.

Eric M. Roth, P.L.S. Certificate No. 42441 //22/10 Date





•	/			
PROJECT	BKS. 10 & 19	FIELD BOOK	09/24/09	DATE
DEAMING NO.	RWI	DRAWN	N/A	SCALE

\$10 cast third avenue spekene, wa 99202 p 509.242.1000 f 509.242.1001)	eying			ב ק	
06-051	PROJECT	BKS. 10 & 19	FIELD BOOK	09/24/09	DATE
1 OF 2	DRAWING NO.	RWH	DRAWN	N/A	SCALE

Storhaug Engineering 510 East Third Avenue Spokane, Washington 99202 p 509.242.1000 f 509.242.1001

5908151

06/14/2010 10:51:25 AM
Recording Fee \$62.00 Page 1 of 1
Affidavit STORHAUG ENGINEERING
Spokane County Washington

) (\$4000 \$400 TO THE BOOKE HEAD BEEN TO THE BOOK HEAD TO MADE WHO DIES

AFFIDAVIT OF MINOR CORRECTION OF SURVEY

GRANTOR/SURVEYOR: Eric M. Roth, PLS	, GRANTEE: PUBLIC
LEGAL DESCRIPTION: T _25_N R _41E_(W/E) SEC. 23_WM _SW_1/41/4,	
Gov. Lot, DLC, HES, Plat or other: _Plat: Aspen Craig Addition	
I, <u>Eric M. Roth, PLS</u> , being first duly sworn on an oath, depose and say Surveyor, that I made a survey of land for <u>Aspen Craig Addition</u> which document was re 2010, in book <u>35</u> on page(s) <u>98-99</u> , Recording Number <u>5892427</u> , Records of <u>Spokane Co</u> Washington, said document being a <u>Plat</u> (Record of Survey, Plat, Short Plat, Boundary Large Lot Division). That there being a minor survey, spelling, mathematical or drafting edoes not in any way materially subvert the approval of the original document by changing approvals, easements, conditions of approval or access roadways, the affiant approva forementioned recordings as follows: <u>Parcel adjacent to Craig Rd., address S. 1008 Tuscany Street, indicated as Lot 1, Block 2 Parcel adjacent to Craig Rd., address S. 1012 Tuscany Street, indicated as Lot 2, Block 2 Parcel adjacent to Craig Rd., address S. 1104 Tuscany Street, indicated as Lot 3, Block 2 Parcel adjacent to Craig Rd., address S. 1112 Tuscany Street, indicated as Lot 4, Block 2</u>	bunty Auditor's Office, Spokane, Line Adjustment, Condominium, error, or omitted signature which lot areas so as to effect zoning as the following change to the to be shown as Lot 14, Block 2, to be shown as Lot 15, Block 2, to be shown as Lot 16, Block 2, to be shown as Lot 16, Block 2.
Surveyor Seal:	Annun Marian
Professional Land Surveyor 42441 License Number STATE OF WASHINGTON, County of SPOKANE On this day personally appeared before me be the individual/corporation described in and who executed the within and foregoing institut (he/she) he signed the same as (his/her) his free and voluntary act and mentioned.	to me known to ument and acknowledged to me deed for the purposes therein
Given under my hand and official seal this day of, 20	
Notary Public Seal: Notary Public in an Residing at 5 WASHINGTON	Showing for the State of Washington POKANE, WA

10/24/2007 03:29:41 PM 5604013

After recording, return to:
Charles U. Carroll, Afforney
522 W. Riveride, Suite 420
Spokene, WA 99201

Recording Fee \$44.00 Page 1 of 5 Easement CHARLES V CARROLL, ATTORNEY Spokane County Washington

WATER AND SEWER EASEMENT

GRANTOR, LANDRETH FAMILY INVESTMENTS LIMITED PARTNERSHIP, a Washington limited partnership, being the fee owner of the following described real property situate in Spokane County, State of Washington:

A portion of the Southwest Quarter of Section 23, Township 25 North, Range 41 East, W.M., further identified as Assessor's Tax Parcel Nos. 15233.0010, 15233.0051 and 15233.0053.

does hereby, for valuable consideration, grant and convey to ASPEN GROVE DEVELOPMENT, INC., a Washington corporation, its successors and assigns, GRANTEE, a permanent non-exclusive easement for the installation, maintenance and repair of water and sewer utilities, and ingress and egress incidental to such purposes and for an emergency vehicle access turnaround area, on, over, under and across the following described portion of said tract:

Legal description set forth on attached Exhibit "A" and shown on drawing on attached Exhibit "B", and incorporated herein by this reference.

Said easement shall run with the land herein described and shall be binding on the heirs, successors and assigns of the undersigned Grantor. Grantee and its successors and assigns shall be solely responsible for all costs of installation, maintenance and repair of the water and sewer utilities placed on said easement.

DATED: September 15, 2007

LANDRETH FAMILY INVESTMENTS
LIMITED PARTNERSHIP

ENVITED LAKINGKIII

BY:

H. Landreth, General Partner

STATE OF WASHINGTON) County of Spokane)

On this day personally appeared before me JAY H. LANDRETH, known to me or proven to me on the basis of satisfactory evidence, to be the individual described in and who executed the within and foregoing instrument and acknowledged that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned on behalf of LANDRETH FAMILY INVESTMENTS LIMITED PARTNERSHIP, a Washington limited partnership, and stated that he was authorized to so as General Partner of said entity.

Given under my hand and official seal this 5

october day of September, 2007.

Notary Public in and for the State of Washington, residing at Spotome

My commission expires

EXHIBIT (A)

LEGAL DESCRIPTION

(Water & Sewer Easement for Proposed Aspen Craig Addition & Aspen Craig 1st Addition)

A parcel of land situate in the Southwest ¼ of Section 23, Township 25 North, Range 41 East of the Willamette Meridian, City of Airway Heights, Spokane County, Washington and more particularly described as follows:

Commencing at the West 1/2 Corner of said Section 23 being a 3/1 ID IP in County Monument Case, said point bears North 89° 58' 27" West 2644.04 feet from the Center of said Section 23 being a 2" ID IP w/ 3/16" Copper wire in concrete; thence along the north line of said Southwest 14, South 89°58'27" East, a distance of 770.88 feet; thence South 00°01'33" West, a distance of 91.90 feet to the intersection with the south right of way line of 6th Avenue, said point being the True Point Of Beginning; thence along a non tangent curve concave to the Southwest, having a radius of 30.00 feet, a central angle of 89°58'51", an arc length of 47.11 feet, a chord bearing of South 44°59'01" East, and a chord length of 42.42 feet; thence South 00°00'24" West, a distance of 65.93 feet; thence along a tangent curve to the Right, having a radius of 470.00 feet, a central angle of 19°59'46", an arc length of 164.03 feet; thence South 20°00'10" West, a distance of 185.03 feet; thence along a tangent curve to the Left, having a radius of 830.00 feet, a central angle of 21°30'22", an arc length of 311.54 feet; thence along a tangent curve to the Right, having a radius of 25.00 feet, a central angle of 91°32'46", an arc length of 39.94 feet; thence North 89°57'26" West, a distance of 53.17 feet; thence South 00°02'20" West, a distance of 60.00 feet; thence South 89°57'26" East, a distance of 63.27 feet; thence along a tangent curve to the Right, having a radius of 25.00 feet, a central angle of 81°02'47", an arc length of 35.36 feet; thence along a tangent curve to the Left, having a radius of 830.00 feet, a central angle of 19°08'09", an arc length of 277.21 feet; thence along a tangent curve to the Right, having a radius of 25.00 feet, a central angle of 72°09'28", an arc length of 31.48 feet; thence South 44°06'40" West, a distance of 15.85 feet; thence along a tangent curve to the Left, having a radius of 230.00 feet, a central angle of 4°38'35", an arc length of 18.64 feet; thence South 39°28'05" West, a distance of 5.69 feet; thence South 50°31'55" East, a distance of 60.00 feet; thence North 39°28'05" East, a distance of 5.69 feet; thence along a tangent curve to the Right, having a radius of 25.00 feet, a central angle of 104°50'56", an arc length of 45.75 feet; thence along a tangent curve to the Left, having a radius of 830.00 feet, a central angle of 7°58'03", an arc length of 115.42 feet; thence along a tangent curve to the Right, having a radius of 25.00 feet, a central angle of 76°15'34", an arc length of 33.27 feet; thence South 32°36'33" West, a distance of 54.74 feet; thence South 52°15'37" East, a distance of 60.24 feet; thence North 32°36'33" East, a distance of 40.74 feet; thence along a tangent curve to the Right, having a radius of 25.00 feet, a central angle of 96°15'00", an arc length of 42.00 feet;

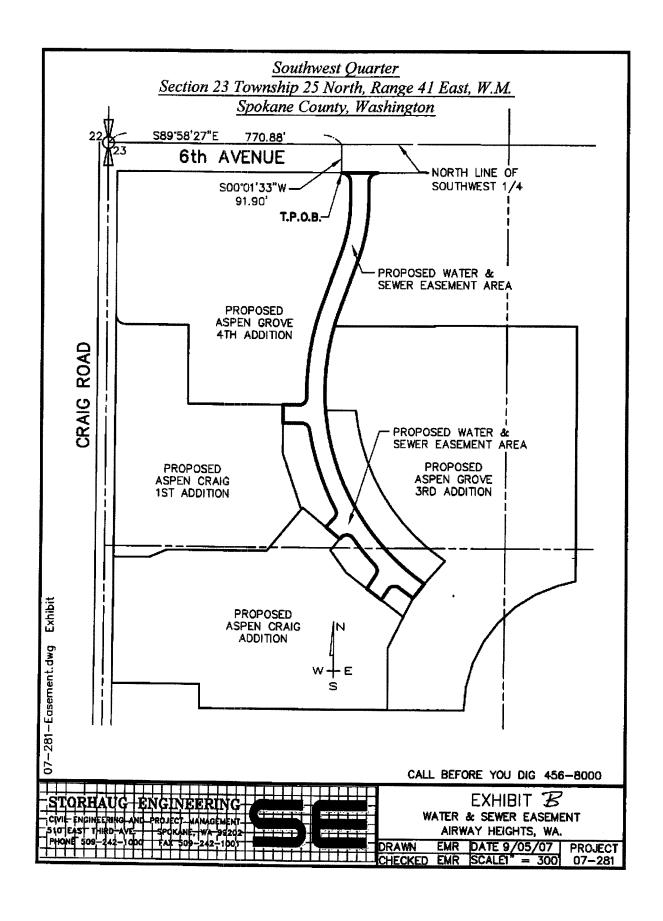
(Legal Continued)

(Legal Continued)

thence along a tangent curve to the Left, having a radius of 830.00 feet, a central angle of 3°55'57", an arc length of 56.97 feet; thence North 38°04'56" East, a distance of 60.10 feet; thence along a non-tangent curve concave to the East, having a radius of 770.00 feet, a central angle of 75°19'21", an arc length of 1,012.26 feet, a chord bearing of North 17°39'30" West, and a chord length of 940.93 feet; thence North 20°00'10" East, a distance of 185.03 feet; thence along a tangent curve to the Left, having a radius of 530.00 feet, a central angle of 19°59'46", an arc length of 184.97 feet; thence North 00°00'24" East, a distance of 65.89 feet; thence along a tangent curve to the Right, having a radius of 30.00 feet, a central angle of 90°01'09", an arc length of 47.13 feet to the intersection with the south line of said 6th Avenue; thence, along said south line, North 89°58'27" West, a distance of 120.00 feet to the True Point Of Beginning,

Said described land contains 2.38 Acres, more or less.





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11/12/2014 10:11:48 AM Recording Fee \$88.00 Page 1 of 17 Agreement CITY OF AIRWAY HEITHS Spokane County Washington

RETURN NAME and ADDRESS

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THE RESIDENCE OF THE PARTY OF T
City of Airway Heights
1208 S. Lundstrom St.
Airway Heights, WA 99001
Please Type or Print Neatly and Clearly All Information
Document Title(s)
Development Agreement
Reference Number(s) of Related Documents
Exhibit A, Property Map; Exhibit B, Required SEPA Mitigations/Conditions, ZMA 2013-01;
Exhibit
Grantor(s) (Last Name, First Name, Middle Initial)
City of Airway Heights
Grantee(s) (Last Name, First Name, Middle Initial) Steve Emtman, Defender Development
Legal Description (Abbreviated form is acceptable, i.e. Section/Township/Range/Qtr. Section or Lot/Block/Subdivision)
SW 1/4 of Section 23, Township 25 N, Range, 41 EWM, Aspen Craig Subdivision
511 74 02 000 01 251 10 Million p 25 111 1 Million 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Assessor's Tax Parcel ID Number: <u>15233.6601-15233.6501-15233.6501</u>
<u>15233.6701-15233.6709; 15233.6514-15233.6517; 15233.6401</u>
The County Auditor will rely on the information provided on this form. The Staff will not read the document to verify the accuracy and completeness of the indexing information provided herein.
Sign below only if your document is Non-Standard.
I am requesting an emergency non-standard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some parts of the text of the original document. Fee for non-standard processing is \$50.
Signature of Requesting Party

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is made this Aday of November, 2014 ("Effective Date"), by and between the CITY OF AIRWAY HEIGHTS, a municipal corporation of the State of Washington (the "City"), and DEFENDER DEVELOPMENT, LLC, a Washington limited liability company and its related entities (the "Developer"), jointly referred to as "Parties."

RECITALS

- A. Developer owns approximately 10.33 acres of real property located in the City of Airway Heights and intends to construct a multi-family residential development known as Aspen Craig. A legal description of the subject property is attached hereto as Exhibit "A" and by this reference is incorporated herein (the "Property").
- B. On May 13, 2013, Developer applied for a rezone on the Property from R-2 (Duplex Residential) and RM (Residential Manufactured) to R-3 (Multi-Family Residential), which was approved by the Airway Heights City Council on November 4, 2013 under Ordinance C-805 ("Project").
- C. On August 1, 2013, the City issued a MDNS pursuant to the State Environmental Policy Act ("SEPA"), which contained conditions for the Project including that the Developer enter into a Development Agreement with the City. See Exhibit B.
- D. This Development Agreement is entered into pursuant the authority of RCW 36.70B.170 and RCW 43.21C.060.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the City and Developer agree as follows:

AGREEMENT

I. DEFINITIONS

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

A. "Applicable Rules" means those provisions set forth in Titles 13 through 18 of the Airway Heights Municipal Code ("AHMC") existing on the Vesting Date. Applicable Rules shall not include any requirements set forth in any of the following: the Americans with Disabilities Act, Chapter 19.27 RCW — the State Building Code, or the Administrative Regulations adopted pursuant to either state or federal statute. Applicable Rules shall also not include any provisions of the uniform codes including, but not limited to, building, fire, plumbing and electrical codes adopted by the state and modified by the City.

- B. "Developer" means Defender Development, LLC, or their successors and assigns including any lot or unit owner.
- C. "Permit" means permission, approval or other consent which allows for the development of the Property to include but not be limited to, clearing, grading and improving the same with either above or below ground structures, facilities and appurtenances.
- D. "Subsequent Rules" means all ordinances, resolutions, codes, rules, regulations and official policies of city, amended or adopted after the Vesting Date and prior to the expiration or termination of this Agreement which amend any Applicable Rules, are inconsistent with any Applicable Rules or are inconsistent with this Agreement.
- E. "Subsequent Project Approvals" means all Project approvals required by law or city policy after approval of this Agreement to construct the Project including, but not limited to, Clearing and Grading Permits, Preliminary and Final Subdivision approval, Binding Site Plan approval, Building Permits and Occupancy Permits.
 - F. "Vesting Date" means the Effective Date.
- G. Capitalized terms not otherwise defined shall have the meaning set forth in the Airway Heights Municipal Code or common understanding.

II. DEVELOPMENT OF THE PROPERTY

- Right to Develop. During the Term and subject to the terms and conditions of this Agreement, including the reservations of authority set out in Section 2.5 herein below, Developer shall have a vested right to develop, construct and repair the Project in accordance with, and to the extent of the Applicable Rules and this Agreement; provided all such development, construction, and repair shall be subject to Subsequent Project Approvals. The Project shall remain subject to all Subsequent Project Approvals required to complete the Project. Subsequent Project Approvals shall be made pursuant to the Applicable Rules and this Agreement. Except as expressly set forth herein, this Agreement shall not be construed as a waiver of any of the conditions of development or use of the Property, nor shall this Agreement relieve Developer from Developer's obligations to comply with rules and regulations applicable to the Property and Developer's development of the same, and to secure such authorizations and permits as may be imposed as a condition of any work being performed on the Property.
 - 2.1.1 The right to develop the Property pursuant to the Applicable Rules is hereby authorized pursuant to City Ordinance C-805 with the understanding that this Agreement shall control and supersede terms in Ordinance C-805, which are inconsistent herewith.
- 2.1.2 Developer shall obtain all required Permits prior to commencing construction of the Project.

2.2 <u>Effect of Agreement on Subsequent Rules</u>. Subsequent Rules shall not be applicable to the Property except as otherwise provided in this Agreement, including Section 2.5.

Developer may elect to comply with Subsequent Rules to the extent they are inconsistent with the Applicable Rules upon the agreement of the City.

2.3 Changes to Project and Amendments.

Any Subsequent Project Approval involving a change or amendment of the Project but which do not create new significant environmental impacts not evaluated in the MDNS, all as set forth in Chapter 197-11 WAC, shall not require an amendment to this Agreement and shall be subject to the Applicable Rules. Any Subsequent Project Approval involving a change or amendment of the Project that may have a probable significant adverse environmental impact not evaluated in the MDNS and not covered by the range of alternatives and impacts analyzed in the MDNS, shall be subject to Subsequent Rules.

- 2.4 <u>Subsequent Project Approvals</u>. City shall accept for processing, review and action all applications for Subsequent Project Approvals, and such applications shall be processed in the normal manner for processing such matters.
- 2.5 <u>Reservations of Authority</u>. Notwithstanding any other provision of this Agreement, the following shall apply to the Development of the Property.
- (a) Procedural regulations which are not substantive relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure.
- (b) Regulations governing construction standards and specifications as follows: the Uniform Building Code, Uniform Plumbing Code, National Electric Code, and Uniform Fire Code.
- (c) Taxes, fees, charges or assessments (including mitigation and/or impact fees) adopted after the Vesting Date which apply uniformly throughout the City or within a defined area of benefit which includes the Property; provided, Developer may request a credit for the total value of dedicated land or public facilities provided by Developer as a condition of Subsequent Project Approval if the land, public facilities or payments are identified as System Improvements under Chapter 82.02 RCW or in cases where the City, in the City's discretion, determines that such dedication of land or public facilities serve the goals and objectives of the capital facilities plan approved by the City Council.
- (d) Regulations which the City and Developer mutually agree, by written consent, may be applied to Development of the Property.

III. DEVELOPMENT OF THE PROJECT CONDITIONS OF DEVELOPMENT

- 3.1 <u>Density.</u> As set forth in Ordinance C-805, the Project shall be limited to a density not to exceed fifteen (15) units per acre.
- 3.2 <u>Sound Mitigation and Notice to Tenants and Purchasers.</u> Sound mitigation, as required under AHMC 17.16 (JLUS Protections for Fairchild Air Force Base) shall be installed in all residential units.

A notice, in a form acceptable to the City, that residential units are likely to experience noise from aviation over-flight activities shall be included in all lease or sale documents. Attached as Exhibit C is the form notice acceptable to the City. In addition, tenants and purchasers shall be provided, and required to sign, a separate notice that occupants of the Project will likely experience noise from aviation over-flight activities and waive any right to make a claim, demand or file suit seeking damages and/or injunctive relief regarding such noise against any person or governmental entity. The notice signed by tenants shall be retained by Developer or its agent. The notice signed by a purchaser shall be recorded with the Spokane County Auditor with a copy provided to the City of Airway Heights Building Department.

- 3.3 <u>Traffic Impact Fee.</u> Pursuant to AHMC Chapter 12.18, the Developer shall pay \$800.00 per unit to the Craig Road/SR-2 Intersection Mitigation Fund.
- 3.4 <u>Water Service Connection</u>. AHMC 13.04.135 entitled "Use of Classification" sets forth the classification schedule that determines the Connection Fees to be paid for water service to the Property. Developer shall pay the cost of a one inch (1") meter connection to serve each structure that contains no more than four (4) separate dwelling units with the number of fixture units that does not exceed the calculation set forth on <u>Exhibit D</u>. It is understood that a single water meter will serve four (4) units with one meter for the building. No further fixtures shall be added to a unit beyond that set forth in <u>Exhibit D</u> unless approved in advance by the City. Installation of additional fixtures may require the installation of a larger meter at the expense of the property owner. If in the future, individual units within a structure are subdivided with the intent to transfer to separate ownership, appropriate and adequate water meters shall be installed for each separated unit prior to the transfer of said unit(s).

The City, in its discretion, may elect to send one utility bill for each four plex that contains the total City utility charges for the building. The property owner shall be responsible to pay all City utility charges unless agreed otherwise. Alternatively, the City may elect to send a utility bill to each owner/tenant occupying a unit that will contain the total City utility charges, with the cost of water service divided by the number of units in the building that are receiving water service.

The section 3.4 shall survive termination of the Agreement and be considered a covenant running with the Property.

IV. MISCELLANEOUS

- 4.1 Term. This Agreement shall commence on the date it is fully executed by the Developer and the City. In the event of any appeal by a third party of the City's approval of this Agreement, the Effective Date shall be automatically extended to the date that any such appeal is finally resolved. Developer agrees to defend, hold harmless and indemnify the City from and against any and all liability, damages, costs or expenses, including attorney's fees, arising from Developer undertaking any construction activities during such appeal. Developer shall have ten (10) years from the Effective Date to apply for all Subsequent Project Approvals unless this Agreement is sooner terminated or extended by mutual written consent of the City and the Developer. Once Developer has obtained a building permit for the Project, this Agreement shall continue until such building permits (including any extension to the term of the building permits which the City may grant,) expire or the Project is complete, whichever occurs first. Upon expiration of this Agreement, the Property shall be subject to the then existing development code and zoning classification as set forth on the official City zoning map.
- 4.2 <u>Permitted Delays</u>. In addition to any specific provisions of this Agreement, performance by either party of its obligations hereunder shall be excused during any period of delay caused at any time before termination or expiration of this Agreement by reason of acts of God or civil commotion, riots, strikes, picketing, or other labor disputes, national shortages of materials or supplies, or damage to work in process of by reason of fire, floods, earthquake, or other casualties or any other cause beyond the reasonable control of the delaying party. Delaying Party shall promptly notify the other party in writing of any delay hereunder as soon as possible after the same has been ascertained.
- 4.3 <u>City Delays</u>. If any City approvals required hereunder shall be unreasonably delayed beyond the normal time period by no fault of Developer, the term of this Agreement shall be extended by a period equal to the time of the delay.
- 4.4 <u>Termination</u>. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:
 - (a) Mutual agreement of the parties;
- (b) Completion of the Project in accordance with the terms of this Agreement, including all required occupancy permits, and acceptance by City or the applicable public agency of all required dedications.

Termination of this Agreement shall not constitute termination of any other land use entitlements approved for the Property. Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the

provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement.

- 4.5 Covenants Run With the Land. All of the provisions, agreements, rights, powers, standards, terms, covenants and obligations contained in this Agreement shall be binding upon the parties and their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons acquiring the Property, or any portion thereof, or any interest therein, whether by operation of law or in any manner whatsoever, and shall inure to the benefit of the parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns. All of the provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land pursuant to applicable law. Each covenant to do or refrain from doing some act on the Property hereunder, (a) is for the benefit of such properties and is a burden upon the Property, (b) runs with the Property, and (c) is binding upon each successive owner during its ownership of Property or any portion thereof, and each person having any interest therein derived in any manner through any owner of the property or any portion thereof, and shall benefit such party and the Property hereunder, and each other person succeeding to an interest in such Property.
- 4.6 <u>Relationship of Parties</u>. It is understood and agreed by the parties hereto that the contractual relationship created between the parties hereunder is that Developer is an independent contractor and not an agent of City. Nothing contained herein or in any document executed in connection herewith shall be construed as making City and Developer joint venturers or partners.
- 4.7 <u>Notices</u>. All notices under this Agreement shall be in writing and shall be effective when personally delivered or 48 hours after deposit in the United States mail first-class, as registered or certified mail, postage prepaid, return receipt requested, to the following representatives of the parties at the addresses indicated below:

To Developer: Steve Emtman

To City: City of Airway Heights

Attn.: Development Services Director

1208 S. Lundstrom

Airway Heights, WA 99001

and to: Stanley M. Schwartz

Witherspoon Kelley

422 W. Riverside, Ste. 1100

Spokane, WA 99201

Either party may change its address by giving notice in writing to the other party.

- 4.8 Entire Agreement. This Agreement is complete and sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants-shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.
- 4.9 <u>Amendments</u>. This Agreement may only be amended in writing signed by the City and the Developer.
- 4.10 <u>Recordation of Agreement</u>. This Agreement and any amendment or termination to it shall be recorded with the Spokane County Auditor.
- 4.11 <u>Severability</u>. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable by a court of competent jurisdiction the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement or the rights and obligations of the parties have been materially altered or abridged.
- 4.12 <u>Interpretation and Venue</u>. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of Washington. For any judicial proceeding, venue shall be Spokane County.
- 4.13 <u>Assignment</u>. The parties acknowledge that Development of the Project likely will involve sale, conveyance, or assignment of all or portions of the Property to third parties who will own, develop and/or occupy portions of the Property and buildings thereon. Developer shall have the right from time to time to assign or transfer all or any portion of its respective interests, rights, or obligations under this Agreement or in the Property to other parties acquiring an interest or estate in all or any portion of the Property, including a transfer of all interests through foreclosure (judicial or nonjudicial) or by deed in lieu of foreclosure. Consent by the City shall not be required for any assignment or transfer of rights pursuant to this Agreement.

In any such transfer or assignment, if the transferee or assignee agrees in writing to assume the obligations herein pertaining to the Property transferred or assigned, then the transferee or assignee shall be entitled to all interests and rights and be subject to all obligations under this Agreement, and Developer who has so transferred or assigned its rights, shall be thereupon be deemed released of liability under this Agreement for the property transferred or assigned, whether or not such release is expressly stated in such transfer or assignment; provided, however, that such Developer shall remain liable for any breach that occurred prior to the transfer or assignment of rights to another party and for those portions of the Property still owned by such Developer.

- 4.14 No Third Party Beneficiary. This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.
- 4.15 <u>Voluntary Agreement</u>. The Parties hereby represent and acknowledge that this Agreement is given and executed voluntarily and is not based upon any representation by any of the Parties to another Party as to the merits, legal liability, or value of any claims of the Parties or any matters related thereto.
- 4.16 <u>Non-Enforcement not Waiver</u>. Failure by any one of the parties to enforce this entire Agreement or any provision of it with regard to any provision contained herein shall not be construed as a waiver by that party of any right to do so.
- 4.17 <u>Authority</u>. The undersigned covenant and represent that they are fully authorized to enter into and to execute this Agreement.

Signed the year and date set forth above.

Developer

Steven C. Emtman, Manager

Cits

Albert Tripp, City Manager

Attest:

Richard G. Cook, Clerk/Treasurer

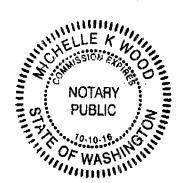
Approved as to form:

6347645 Page 10 of 17 11/12/2014 10:11:48 AM

STATE OF WASHINGTON)	
) s	S
County of Spokane) [`]	

I certify that I know or have satisfactory evidence that STEVEN C. EMTMAN executed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it, as the Manager of Defender Developments LLC to be the free and voluntary act of such company, for the uses and purposes mentioned in the instrument.

DATED: 11-6-, 2014.



M. Chelle K Wood
NOTARY PUBLIC in and for the State of Washington, residing at

Spokane Co

My appointment expires: 10-10-16

Exhibit A The Property

Exhibit B SEPA MDNS

Exhibit B Required SEPA Mitigations/Conditions, ZMA 2013-01

The proponent shall enter into a developer agreement with the City agreeing to the following as a condition of approval for this request to change the zoning designation of the property referred to as the Aspen Craig Subdivision from its current R-2, Duplex/RM, Manufactured Residential to R-3, Multi-Family Residential.

- 1. The proposed new zoning designation, R-3, Multi-Family Residential, allows for a density of 10-20 units/acre. A condition for approval of the proposed R-3 zoning designation shall be a cap in allowed density, not to exceed 10-units/acre.
- 2. Sound mitigation, as required under AHMC 17.16, JLUS Protections for Fairchild Air Force Base, shall be installed in all residential units.
- 3. Notice that these residential units are likely to experience noise from aviation over-flight activities shall be included in the declaration section of any lease or sale documents.
- 4. Potential tenants/lessees shall be provided, and required to sign, a separate notice that residents of these units will likely experience noise from aviation over-flight activities and waive any right to complain regarding disturbance from such noise. The original copy of the notice shall be kept in the tenant's rental file and a copy returned to the tenant for their records.
- 5. Potential purchasers of any of these properties shall be provided, and required to sign, a separate notice that residents of these units will likely experience noise from aviation over-flight activities and waive any right to complain regarding disturbance from such noise. The notice shall be recorded as part of the sales agreement, a copy shall be provided to the purchaser, and a copy shall be provided to the City of Airway Heights Building Department to be kept in the City file for the structure.
- 6. Contribution to the "Craig Rd./SR-2 Intersection Mitigation Fund" shall be required at \$800/per unit.

This list of conditions is not necessarily complete at this time. This is a preliminary list based on the submitted SEPA Checklist and rezone application. Final conditions shall be determined after the close of the SEPA comment period, August 16, 2013, and the scheduled public hearing regarding this proposal on October 16, 2013.

Exhibit C
Notice of Aviation Activity

Acknowledgement of Noise Impacts to Property

This notice is to inform the buyer/lesse	ee/renter and occupants of this property,, Unit #, located on Spokane
from aviation over-flight activities that may a By signing below, the buyer/lessee/renter, a hold harmless and waive all claims, causes o	they are likely to experience repetitive noise affect the use and enjoyment of the property. It is cknowledges this notice and hereby agrees to f action, liability and damages against the City irport, and Fairchild Air Force Base caused by
Buyer/Lessee/Renter Signature	Date
Buyer/Lessee/Renter Printed	
Seller/Leasing/Renting Agent Signature	Date

(This original document must be recorded as part of any sales agreement on affected properties, as shown in AHMC 17.16, JLUS Protections for Fairchild Air Force Base, with a copy being provided to the buyer, a copy kept on file by the seller, and a copy returned to the City of Airway Heights Building Department for the property's file. For leased or rented properties on affected properties, the original document must be kept on file with the rental/leasing agent and a copy provided to the lessee or renter.)

Exhibit D
4-Plex Fixture Count, 1" Meter

David N. Randall, Civil Engineer 521 W. Cameron Road Spangle, Washington 99031 Ph/Fax: (509) 245-3402

Cell: (509) 951-7411

August 20, 2014

Steve Emtman 521 1st Street Cheney, Washington 99004

Re: Revised Calculation of water meter sizing required for the Aspen Craig 4 Plexes proposed for construction in Airway Heights, Washington.

Steve,

The following table has been changed to reflect modifications to the proposed fixture layout. The information listed in the table below summarizes the Fixture Units calculated for the proposed 4 plexes.

Fixture Unit Summary

Fixture	Total Number	Fixture Units	Total Fixture Units
Bath Sink	4	1	4
Kitchen Sink	4	1.5	6
Water Closet	4	2.5	10
Shower	4	2	8
Clothes Washer	4	4	16
Hose Bibb	2	2.5	5

Total = 49 Fixture Units

The UPC notes that 49 Fixture Units equates to 29 gpm (see UPC Table P2903.6(1)). Based upon information provided by the City of Airway Heights a 1" water meter is capable of supporting a flow rate of 30 to 32 gpm. This available 1" meter flow rate exceeds the required peak flow rate of 29 gpm. It recommended that a 1" meter be utilized based on the revised fixture layout.

A 1" meter should be more then adequate in this situation. AWWA C700 specifics that a 1" positive displacement meter should be capable of operating at a maximum flow rate of 50 gpm. A check of the specifications for a 1" Sensus and a 1" Neptune water meter revealed that both meters do meet the AWWA specification for a maximum flow rate of 50 gpm. This flow rate exceeds the maximum rate of 30 to 32 gpm as noted by the City of Airway Heights.

I hope that this information is helpful. If you have any questions please give me a call.

Sincerely,

David Randall, P.E.

DIRLO

