

9117159

After recording please return to:

HomeStart Administrator
Federal Home Loan Bank of Seattle
1501 Fourth Avenue, Suite 1900
Seattle, WA 98101-1693

9117159
07/12/2004 10:08 AM 14.00
Book - 9012 Pg - 7489-7491
GARY W. OTT
RECORDER, SALT LAKE COUNTY, UTAH
US TITLE OF UTAH
308 E 4500 S STE. 270
MURRAY UT 84107
BY: ZJM, DEPUTY - WI 3 P.

FEDERAL HOME LOAN BANK OF SEATTLE

Trust Deed and Retention Agreement

THIS TRUST DEED AND RETENTION AGREEMENT ("Agreement") is made this 1st day of July, 2004, between: William Yates, an unmarried person ("Trustor"), whose address is 2901 S 3860 W, West Valley City, Ut 84120; and first American title. ("Trustee"), whose address is 872 WEST HERITAGE PARK BLVD, STE 110, LAYTON, UT 84041; and The Federal Home Loan Bank of Seattle ("Beneficiary") whose address is 1501 Fourth Avenue, Suite 1900, Seattle, Washington 98101-1693.

TRUST DEED PROVISIONS. Grantor irrevocably grants, bargains, sells and conveys to Trustee in Trust, with power of sale, the following described real property ("Property") in Salt Lake County, Utah:

Tax Account Number: 15-29-107-013-0000

This Agreement is for the purpose of securing performance of Grantor's agreements set forth herein. Trustee shall reconvey the Property to the person entitled thereto on written request of Grantor and Beneficiary, or upon satisfaction of Grantor's obligations and written request for reconveyance made by Beneficiary or the person entitled thereto. Upon default by Grantor in the performance of any agreement contained herein and upon written request of Beneficiary, Trustee shall sell the Property at public auction to the highest bidder. 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 Agreement; (3) the surplus, if any, shall be distributed to the persons entitled thereto. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the Property that Grantor had the power to convey. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Agreement, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value. The power of sale conferred by this Agreement and by law is not an exclusive remedy. If necessary Beneficiary may appoint a successor trustee, and upon the recording of such appointment the successor shall be vested with all powers of the original trustee. This Agreement is binding on the parties and their successors.

Lot 51, West Haven No. 2

**Federal Home Loan Bank of Seattle - Affordable Housing Program
State of Utah**

BK 9012 PG 7489

SL 8746 HUD
07H 94487S

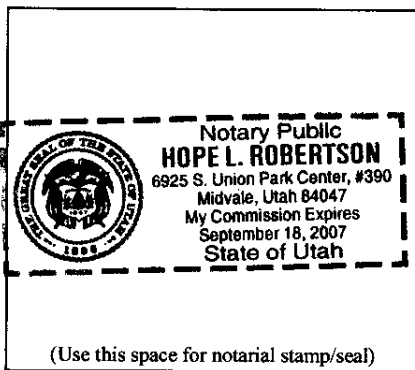
RETENTION AGREEMENT. Beneficiary has issued a \$5,000.00 HomeStart Program Grant ("Grant") to assist Grantor in purchasing the Property. Federal regulations (12 CFR Part 951) restrict Grantor's ability to sell, lease, or refinance the Property, to ensure the Grant is used only for housing retained as "affordable housing" and as Grantor's primary residence for at least five years from the date this Agreement is recorded ("Retention Period"). Grantor agrees to notify Beneficiary in writing received at least two weeks prior to any sale, lease or refinancing of the Property occurring during the Retention Period. Grantor may notify Beneficiary by either hand-delivery or certified mail, return receipt requested, at the address set forth above, Attention: HomeStart Administrator. If Grantor sells, leases or refinances the Property during the Retention Period, Grantor must repay to Beneficiary all or a portion of the Grant, without interest, in an amount calculated by Beneficiary equal to the Grant amount multiplied by the percentage of the Retention Period remaining as of the closing of such transaction. Grantor shall not be required to repay any portion of the Grant if: (a) Grantor refinances and the Property remains subject to the encumbrance created by this Agreement; or (b) Grantor's interest in the Property is divested via foreclosure of a lien or mortgage senior to this Agreement. Grantor is not required to repay an amount exceeding the net gain realized on a sale of the Property after deduction of sales expenses. Grantor shall not be required to repay any portion of the Grant if the Property is sold to a person eligible to participate in the HomeStart Program, but only if: (a) such person's purchase of the Property is not partially financed with the proceeds of a HomeStart Program Grant; (b) such person assumes the obligations under this Agreement, which assumption shall not be valid or recognized unless Beneficiary gives its PRIOR written approval to such assumption; and (c) the Property continues to be subject to this Agreement.

TRUSTOR(S):

William Yates
 WILLIAM YATES

STATE OF UTAH)
)
 COUNTY OF Salt Lake) ss.

I certify that I know or have satisfactory evidence that WILLIAM YATES is/are the person(s) who appeared before me on this date, and said person(s) acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes stated therein.



Date: 7-9-04

Hope L. Robertson
 Name: Hope L. Robertson
 NOTARY PUBLIC, State of Utah

Residing at Midvale, Utah

My appointment expires 9-18-07

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when obligation has been met.

TO: TRUSTEE,

The undersigned is the legal owner and holder of the indebtedness secured by the within Trust Deed and Retention Agreement. Said indebtedness 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 Trust Deed and Retention Agreement, to cancel all evidences of indebtedness secured by said Trust Deed and Retention Agreement and to reconvey, without warranty, to the parties designated by the terms of said Trust Deed and Retention Agreement, all the estate now held by you thereunder.

Dated _____, 20_____ Mail Reconveyance to:

Home\$tart Administrator
Federal Home Loan Bank of Seattle
1501 Fourth Avenue, Suite 1900
Seattle, WA 98101-1693