

PROMISSORY NOTE

Lewis County Drug Court House

\$467,235.00

Chehails, Washington

FOR VALUE RECEIVED, Lewis County, a Washington municipal corporation ("Borrower"), promises to pay in lawful money of the United States of America, to the order of State of Washington Department of Commerce, or its successor agency, ("Lender") at 1011 Plum Street SE, Post Office Box 42525, Olympia, Washington 98504-2525, the principal sum of Four Hundred Sixty-Seven Thousand Two Hundred Thirty-Five and 00/100 Dollars (\$467,235.00), or so much thereof as may be advanced hereunder.

This Promissory Note ("Note") is subject to the terms and conditions of the Housing Trust Fund Program Contract Number 22RC-94120-015 ("Contract") executed between the Borrower and the Lender. Disbursement of the funds evidenced by this Note is to be made subject to the terms and conditions of the Contract. Borrower agrees that a schedule of the dates and amounts of advances and repayments on this Note certified by an officer of Lender shall be conclusive evidence for all purposes of such dates and amounts. All amounts payable hereunder shall be paid without any set-off or deduction of any nature.

Except as otherwise provided for in the Contract, in the event the Property is sold, refinanced or the Property is not used as required by the Contract prior to the end of the forty (40) year Commitment Period required in the Contract, Lender, or its successor agency, shall be entitled to (1) the unpaid principal balance of this Note and any accrued interest, and (2) an amount representing the prorated, appreciated value of the Property as defined in the Contract.

In case Borrower defaults in payment of this Note, Borrower agrees to pay all of Lender's costs of collection, including but not limited to, reasonable attorney's fees incurred by Lender or the holder of this Note whether or not suit is instituted. If any legal proceedings are instituted relating to this Note, including without limitation any arbitration, bankruptcy, trial, or appellate proceedings, Borrower shall pay Lender's costs, including reasonable attorney's fees in all such proceedings.

Borrower hereby waives presentment and demand for payment, notice of dishonor, protest, notice of protest, and any other notice not specifically required by the Contract.

This Note is secured by a Deed of Trust covering property situated in Lewis County, Washington, and shall be construed, enforced and otherwise governed by the laws of the State of Washington.

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

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER THE LAWS OF THE STATE OF WASHINGTON.

The individual, by signing below, warrants that they have the authority to sign this Note.

LEWIS COUNTY,
a Washington municipal corporation

By: _____
Steve Wohld, Chief of Internal Services

Date: _____