

**Assignment of Common Interest Community Association
Priority Lien Rights Under A.S. 4.08.470**

(Sample Only - Do Not Complete)

For and in consideration of Ten Dollars and other good and valuable consideration, receipt of which is hereby acknowledged, the _____ (“Association”) by and through its undersigned Board of Directors (“Board”), hereby sells, assigns and transfers to Alaska Housing Finance Corporation (AHFC), as assignee, all of the Association’s rights now existing or arising hereafter to liens arising under A.S. 34.08.470(b). These liens attach or may attach to the real property described as:

This assignment is to secure a loan made by AHFC to the Association in the amount of \$_____, and the amount collected under this assignment shall not exceed the principal sum owing on this loan at the time that AHFC exercises its rights hereunder, plus interest, costs and attorney’s fees, accrued or incurred as of that date or thereafter until the loan is paid in full.

Further, any future advances made by AHFC to the Association, or by any successor-in-interest of AHFC, are specifically agreed by the parties to be also secured by this assignment. Unless subsequently agreed otherwise in writing by the parties, this assignment will secure such future advances whether or not they are of the same type or character as the loan secured by this assignment, or whether or not the future advances are separately secured.

The Association hereby irrevocably constitutes and appoints AHFC as its attorney-in-fact, with the authority to foreclose and enforce the liens and collect and receive the debts secured by said liens the same as the Association could have done were this assignment not executed. However, so long as the obligation secured by this assignment remains current, the Association may continue to enforce such liens and collect on the debts secured thereby, provided that, should the obligation secured by this assignment become delinquent subsequent to the institution of such enforcement or collection activity, AHFC or its successors-in-interest shall have the absolute right, at its option, to substitute for the Association as plaintiff in any action brought to enforce such lien or to collect on the debt secured thereby.

The Board warrants that this assignment is rightful and that there has been and will be no prior, conflicting or subsequent assignment of the lien rights hereby assigned, that the Association is the only entity entitled to enforce those liens and collect on the debts secured thereby, and that this assignment is not a preference or in fraud of the Association’s other creditors. The Board further warrants that this assignment is proper under the Condominium Declaration and Association Bylaws, that this assignment was authorized by a vote of the Association’s membership at a

properly convened meeting of the Association, and approved by the number of unit owners required under statute, declaration or bylaws, and that the Board is duly elected and duly authorized to execute this assignment.

If at any time any warranty, representation or statement made herein by the Board is untrue, or if the Board or Association should fail to perform any act or observe any term hereof, or if there should be any default in payment on the loan secured by this assignment, or if AHFC should at any time reasonably deem any of its security for the loan secured by this assignment to be jeopardized, then all liabilities secured hereby shall become immediately due and payable, and AHFC may, in addition to any other rights and remedies it may have, immediately and without demand or notice exercise any and all rights and remedies granted to a secured party under the Uniform Commercial Code or other law. The Association agrees to pay AHFC's expenses, including legal expenses, incurred or paid by AHFC in protecting or enforcing its rights under this assignment. In addition to the events of default described above, the Association will be in default for failure to perform any provision of this assignment, any other document securing the indebtedness secured by this assignment and any document evidencing that indebtedness.

AHFC may subsequently transfer all its rights under this agreement, and the Association hereby waives as against such subsequent transferee all defenses, counterclaims or setoffs, which the Association may claim against AHFC.

IN WITNESS WHEREOF, the Board has executed this assignment this _____ day of _____, _____.

By: _____
Its: _____

By: _____
Its: _____

By: _____
Its: _____

SAMPLE ONLY - DO NOT COMPLETE

