



200209240009

Skagit County Auditor

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Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)

- Subordinate mortgage / Dual of Trust
-
-
-

Reference Number(s) of Documents assigned or released:

Additional reference #'s on page _____ of document

Grantor(s) (Last name first, then first name and initials)

- Michael J. Stevens
- Raven M. Lebarrow
-
-

Additional names on page _____ of document.

Grantee(s) (Last name first, then first name and initials)

- Secretary Housing & Urban Development
- Accubanc Mortgage
- National City Mtg Co dba
- Island Title Co.

Additional names on page _____ of document.

Legal description LOT 31, SKAGIT ADDITION TO MOUNT VERNON ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 5 OF PLATS PAGE 48 RECORDS OF SKAGIT COUNTY WASHINGTON SITUATED IN SKAGIT COUNTY, WASHINGTON

Assessor's Property Tax Parcel/Account Number
3756-000-031-0003

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

*Prepared By: National City Mortgage Co.
Jennifer Mifflin/Risk Management
Building 2
3232 Newmark Drive
Miamisburg OH 45342*

FHA Case No.

561-7075194-729

NCM #9722843

SUBORDINATE MORTGAGE

THIS SUBORDINATE DEED OF TRUST ("Security Instrument") is made on August 14, 2002, the Grantor is Micheal J. Stevens and Raven M. Lebarron (Borrower), whose address is 1530 E. Skagit Street, Mount Vernon, Washington 98274. The trustee is Island Title Company (Trustee). The beneficiary is National City Mortgage Co. dba Accubanc Mortgage (Lender). This Security Instrument is given to the Secretary of Housing and Urban Development, and whose address is 451 Seventh Street, SW, Washington, DC 10410 ("Lender"). Borrower owes Lender the principal sum of Twelve Thousand Three Hundred Five Dollars 68 Cents (U.S.\$12,305.68). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for the full debt, if not paid earlier, due and payable on June 1, 2030. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under Paragraph 7 to protect the security of this Security Instrument, and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, warrant, grant and convey to the Lender, with power of sale, the following described property located in Skagit County, Washington:

LEGAL DESCRIPTION.

LOT 31, SKAGIT ADDITION TO MOUNT VERNON, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 5 OF PLATS, PAGE 48, RECORDS OF SKAGIT COUNTY, WASHINGTON. SITUATED IN SKAGIT COUNTY, WASHINGTON.

TAS ID#: 3756-000-031-0003

which has the address of 1530 E. Skagit Street, Mount Vernon, Washington 98274; TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."



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BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances or record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Borrower and Lender covenant agree as follows:

UNIFORM COVENANTS.

1. **Payment of Principal.** Borrower shall pay when due the principal of the debt evidenced by the Note.
2. **Borrower Not Released; Forbearance by Lender Not a Waiver.** Extension of the time of payment of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.
3. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the term of this Security Instrument or the Note without that Borrower's consent.
4. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Department of Housing and Urban Development, Attention: Single Family Notes Branch, 451 Seventh Street, SW, Washington, DC 10410 or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.



5. Governing Law; Severability. This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

6. Borrower's Copy. Borrower shall be given one conformed copy of the Note and of this Security Instrument.

7. Grounds for Acceleration of Debt.

(a) Default. Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) Sale Without Credit Approval. Lender shall, if permitted by applicable law including Section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and
- (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) No Waiver. If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payment, Lender does not waive its rights with respect to subsequent events.

(d) Regulations of HUD Secretary. In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.



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NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

8. Foreclosure Procedure. If Lender requires immediate payment in full of all sums under paragraph 7, Lender may invoke the power of sale and any other remedies permitted by remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 8, including, but not limited to, reasonable attorneys' fees and costs of title evidence .

If Lender or Borrower invokes the power of sale, and the Property is judicially ordered to be sold pursuant to such power, Lender shall mail a cop of a notice of sale by registered mail to Borrower at the Property Address or at any other address Borrower delivers to Lender in writing for that purpose. Lender shall publish the notice of sale for the time and in the manner required b applicable law and, without further demand on Borrower, the property shall be sold at the time and under the terms designated by the court and in the notice of sale. Lender or its designee may purchase the Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable attorneys' fees (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

If the Lender's interest in the Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 7 , the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 *et seq.*) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Paragraph 8 or applicable law.

9. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall discharge this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.



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UNOFFICIAL

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

Witnesses:

Kate Brnahan
Witness

Susan Mottler
Witness

Michael J. Stevens 8-23-02 (SEAL)
Borrower Date

Raven M. LeBarron 8-23-02 (SEAL)
Borrower Date



U11612735-010R06
SUBORDINATE MORT
REF# 20184831
US Recordings

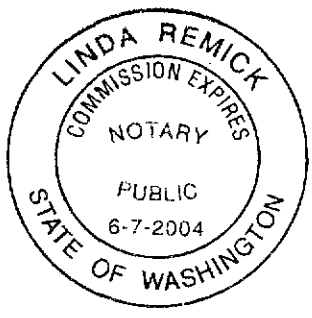
STATE OF WASHINGTON

County of: Skagit

On this 2nd day August 2002, personally appeared before Michael J. Stevens and Raven M. LeBarron to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purpose therein mentioned.

Given under my hand and official seal this 2nd day of August 2002

Witness my hand and seal, the day and year aforesaid.



Linda Remick
Notary Public in and for the State of Washington, residing at Hamwood

My Appointment Expires on: 6-7-04



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