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Skagit County Auditor

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**SUBSTITUTION OF LIABILITY
(Deed of Trust)**Island Title Escrow
C25535 BE7136

This Agreement made and entered into this 7th day of February, 2003 by and between
PRINCIPAL RESIDENTIAL MORTGAGE, INC., an Iowa Corporation, hereinafter referred to as the
 Mortgagee, Jason M. Franks and Alina J. Hegge of
 Mount Vernon, WA, hereinafter referred to as the Purchasers, and
 Jerriid W. Hall of Mount Vernon, WA
 hereinafter referred to as the Sellers, WITNESSETH:

Whereas on the 10th day of July, 2001, Sellers executed and delivered a promissory
 note in the principal amount of \$125,098.00, plus interest, payable to Mann Financial Inc.,
 which note is secured by a deed of trust of same date as said note, which deed of trust was recorded on the 13th
 day of July in Book at Page of the deed of trust records of
 Skagit County, and document no. 200107130087

Whereas Mortgagee is now the legal owner and holder of said note and the deed of trust securing same
 and Purchasers have purchased the real estate covered by said deed of trust from the Sellers, and Sellers
 desire to be released from all further liability for the payment of said note and Mortgagee is willing to grant
 said release upon agreement of the Purchasers to assume and agree to pay said indebtedness.

NOW, THEREFORE, in consideration of the premises, IT IS HEREBY AGREED AS FOLLOWS:

1. Purchasers hereby assume and agree to pay said note at the times and in the manner provided for therein, and Purchasers further agree to be bound by and to perform all of the terms, conditions, covenants and agreements contained in said note and the deed of trust securing same, including all modifications and extensions thereto, nothing herein being deemed to interfere in any way with the lien of said deed of trust. It is agreed that all monthly installments of principal and interest to be paid on and after 2/7/03, are unpaid.
2. Sellers hereby assign and transfer to Purchasers all Sellers' right, title and interest in and to all escrow funds presently held or which may later accrue in connection with the aforesaid note and deed of trust, including refunds of any nature or fees returned from any source.
3. Mortgagee hereby releases and discharges Sellers of and from all liability under the aforesaid note and/or the deed of trust securing same.

Attest:

Principal Residential Mortgage, Inc.

By Diane V. Kellar
Diane V. Kellar, Director - Post Closing

Jason M. Franks 2-7-03
Purchaser: Jason M. Franks

Terri W. Hall 2-7-03
Seller: Terri W. Hall

Alina J. Hegge 2-7-03
Purchaser: Alina J. Hegge

Seller:

STATE OF IOWA :
COUNTY OF POLK : SS.

On this 26th day of February A.D. 2003, before me, a Notary Public in and for said county, personally appeared Diane V. Kellar to me personally known, who being by me duly sworn did say that he/she is Director - Post Closing of said Principal Residential Mortgage, Inc., that the seal affixed to said instrument is the seal of said corporation, and that said instrument was signed and sealed on behalf of the said corporation by authority of its Board of Directors, and sealed on behalf of the said corporation by authority of its Board of Directors, and the said Diane V. Kellar acknowledged the execution of said instrument to be the voluntary act and deed of said corporation by its voluntarily executed.

My Commission expires:



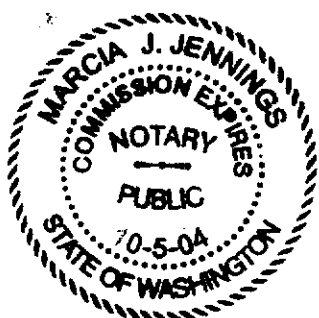
Assie R. England
Notary Public in and for Polk County, Iowa

State of Washington
County of Skagit SS:

I, Marcia J. Jennings, a Notary Public in and for said county and state, do hereby certify that Jason M. Franks and Alina J. Hegge, personally known to me to be the person(s) whose name(s) are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 7th day of February, 2003

My Commission expires: 10/7/2004



Marcia J. Jennings
Notary Public
Marcia J. Jennings
Residing in Sedro Woolley



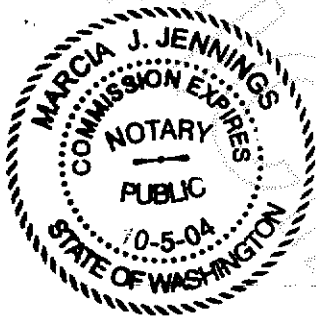
State of Washington
County of Skagit

ss:

I, Marcia J. Jennings, a Notary Public in and for said county and state, do hereby certify that
Jerrid W. Hall, personally known to me to be the person(s) whose name(s)
subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he
signed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set
forth.

Given under my hand and official seal, this 7th day of February, 2003

My Commission expires: 10/5/2004



Marcia J. Jennings
Notary Public

Marcia J. Jennings
Residing in Sedro Woolley



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