



200312220313  
Skagit County Auditor

12/22/2003 Page 1 of 4 4:04PM

**AFTER RECORDING MAIL TO:**

Name First American  
Address P.O. Box 11667  
City / State MT Vernon, WA 98273

**Document Title(s):** (or transactions contained therein)

1. Asst of Rent + lease
- 2.
- 3.
- 4.

**Reference Number(s) of Documents assigned or released:**

☐ Additional numbers on page \_\_\_\_\_ of document

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

1. Ginnett Kenneth J.
2. Ginnett Bobetta M.
- 3.
- 4.

5. ☐ Additional names on page \_\_\_\_\_ of document

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

1. Welts David A.
- 2.
- 3.
- 4.

5. ☐ Additional names on page \_\_\_\_\_ of document

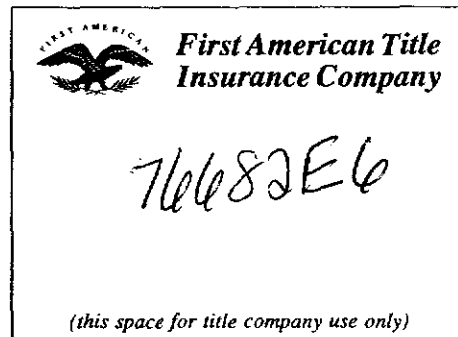
**Abbreviated Legal Description as follows:** (i.e. lot/block/plat or section/township/range/quarter/quarter)

lot 9 and 10, Blk 11 "Vernon Heights Addition"

☐ Complete legal description is on page \_\_\_\_\_ of document

**Assessor's Property Tax Parcel / Account Number(s):**

3763-011-010-0006 P54557



**NOTE:** The auditor/recorder will rely on the information on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

## ASSIGNMENT OF RENTS AND LEASES

KENNETH J. GINNETT and BOBETTA M. GINNETT, (hereinafter referred to as Assignor), for good and valuable consideration, the receipt of which is hereby acknowledged by DAVID A. WELTS, (hereinafter referred to as "Assignee") and for other valuable consideration, hereby absolutely, unconditionally and immediately conveys, transfers and assigns unto Assignee, his successors and assigns, all the rights, interest, and privileges which Assignor, as Lessor, has and may have in the rentals or leases (including all rental arrangements including month to month tenancies or lease agreements, written or oral, all of which will be hereafter referred to as the "Leases") and including all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the premises, now existing or hereafter made and affecting the real property in Skagit County more particularly described as:

**Lots 9 and 10, Block 11, Vernon Heights Addition to Mount Vernon, as per plat recorded in Volume 2 of Plats, page 108, records of Skagit County, Washington, Situate in the County of Skagit, State of Washington.**

or any part thereof, including any and all rentals or leases now or hereafter placed on subject premises, as said rentals or leases may have been, or may from time to time be hereafter modified, extended and renewed, with all deposits, rents, income, and profits due and becoming due therefrom. Assignor will, on request of Assignee, execute assignments of any future rentals or leases affecting any part of said premises.

The proceeds collected under this absolute Assignment shall apply to expenses of managing the property and in reduction of the indebtedness then owing on a certain Note and Deed of Trust of even date herewith (and all extensions or modifications thereof) made by Assignor to Assignee in the sum of ONE HUNDRED THIRTY SEVEN THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$137,500.00) with interest, covering the above described real property situated in Skagit County, Washington, and the acceptance of this absolute assignment and the collection of rents or the payments under the leases hereby assigned shall not constitute a waiver of any rights of Assignee under the terms of said Note and Deed of Trust.

Assignee hereby grants to Assignor a license to collect, so long as no default occurs under the terms of said Note and Deed of Trust, said deposits, rents, income and profits from the aforementioned leases and to retain, use, and enjoy the same; provided, however, that even before default occurs no rent shall be collected or accepted more than two (2) months in advance without the prior written consent of the Assignee. Anything to the contrary notwithstanding, Assignor hereby assigns to Assignee any award made hereafter to it in any court procedure involving any of the lessees in any bankruptcy, insolvency, or reorganization proceedings in any state or federal court; and any and all payments made by lessees in lieu of rent. Assignor hereby appoints Assignee as its irrevocable attorney in fact to appear in any action and/or to collect any such award or payment; provided, that so long as no default occurs under the terms of the Note and Deed of Trust, Assignor may collect and retain such award or payment the same as rent.

In the event of default in the performance of any of the terms and conditions of said Note and/or Deed of Trust, the Assignee, at its option, may, from the date of such default and with or without taking possession of said premises, collect all rents accruing therefrom and from said leases and if Assignee elects to enter and take possession of the mortgaged premises, then Assignee shall have the right to manage and operate



200312220313

Skagit County Auditor

the same, let or re-let said premises (or any part thereof), terminate and modify leases, evict tenants, bring or defend any suits in connection with the possession of said premises in its own name or in Assignor's name, make such repairs as Assignee deems appropriate, and perform such other acts in connections with the management and operation of said premises as the Assignee, in its sole discretion, may deem proper.

Nothing contained herein, nor any collection of Rents and Profits by Assignee or a receiver shall be construed to make Assignee a "mortgagee-in-possession" of the Property so long as Assignee has not itself entered into actual possession of the Property.

The receipt by Assignee of any deposits, rents, issues, or profits pursuant to this instrument after the institution of the foreclosure proceedings under said Deed of Trust shall not cure such default nor affect such proceedings or any sale pursuant thereto.

Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under any of said leases, and Assignor hereby agrees to indemnify Assignee for, and to save it harmless from, any and all liability arising from any of said leases or from this Assignment, and this Assignment shall not place responsibility for the control, care, management or repair of said premises upon Assignee, or make Assignee responsible or liable for any negligence in the management, operation, upkeep, repair, or control of said premises resulting in loss or injury or death to any tenant, licensee, employer, or stranger.

Assignor covenants and represents that Assignor has full right and title to assign said leases and the deposits, rents, income, and profits due or to become due thereunder, that the terms of said leases have not been changed from the terms in the copies of said submitted to Assignee for approval, that no other assignment of any other interest therein has been made, that there are no existing defaults under the provisions thereof, and that Assignor will not hereafter unreasonably cancel, surrender or terminate any of said leases, exercise any option which might lead to such termination or change, alter or modify them, or consent to the release of any other party liable thereunder.

Assignor hereby authorizes Assignee to give notice in writing of this Assignment to any tenant under any of said leases, if Assignor is in default under the Note, Deed of Trust or this Assignment.

Violation of any of the covenants, representations and provisions contained herein by Assignor shall be deemed a default under the terms of said Note and/or Deed of Trust.

Default by Assignor under any of the terms of the leases assigned herein shall be deemed a default under the terms of said Note and/or Deed of Trust. Any expenditures made by the Assignee in curing such a default on Assignor's behalf, shall become part of the debt secured by the described Deed of Trust and this Assignment.

The full performance of either (a) the Note and any extensions or modifications thereto or (b) the Deed of Trust and the duly recorded release of the property described herein shall render this Assignment void.

The deposits, rents, issues, and profits collected by Assignee hereunder shall be applied, less costs and expenses of operation of said real property and collection of the deposits, rents, issues, and profits



therefrom, including reasonable attorney's fees incurred by Assignee, upon any indebtedness outstanding and secured by said mortgage, including but not limited to, the payment of delinquent real property taxes and fire insurance, and in such order as Assignee may determine.

This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors and assigns, as well as any subsequent owner of the real estate described herein and any assignee of the mortgage referred to herein.

Notwithstanding any provision herein to the contrary, this Assignment of Rents and Leases is intended to be an absolute assignment from Assignor to Assignee and not merely the passing of a security interest. The rents and leases are hereby assigned absolutely by Assignor to Assignee contingent only upon the occurrence of a default.

**This Assignment shall be governed by the laws of the State of Washington.**

IN WITNESS WHEREOF, the Assignor has signed and sealed this instrument on this 22nd day of December, 2003.

### ASSIGNORS:

*Kenneth J. Ginnett*  
KENNETH J. GINNETT

  
BOBETTA M. GINNETT

SKAGIT COUNTY WASHINGTON  
Real Estate Excise Tax  
PAID

DEC 22 2003

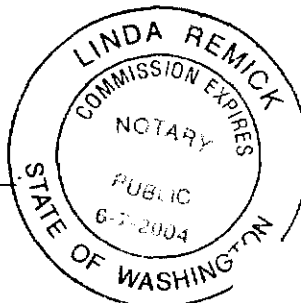
Amount Paid \$  
Skagit County Treasurer  
By: Deputy

STATE OF WASHINGTON                 )  
County of Skagit                      ) ss.

On this day personally appeared before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, KENNETH J. GINNETT and BOBETTA M. GINNETT, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged that they signed the said instrument as their free and voluntary act and deed for the uses and purposes therein mentioned.

Witness my hand and official seal this 22nd day of December, 2003.

NOTARY PUBLIC in and for the State of  
Washington, residing at Hammond  
My appointment expires 6-7-04



**Skagit County Auditor**