

AFTER RECORDING RETURN TO:



200401020061

Skagit County Auditor

Name William R. Allen

1/2/2004 Page

1 of

3 12:58PM

Address PO Box 437

City, State, Zip Sedro-Woolley, WA 98284

Grantor Silk, Terry

Grantee Hanson, Errol

Abbrev. Leg. Ptn SE ¼ of SE ¼, 33-35-5 E W.M., aka Tr. D, SP No. 97-0044

Tax Acct. No. 350533-4-009-0800

Document Ref. No. 200006280048

DEED IN LIEU OF FORECLOSURE

THE GRANTOR, TERRY M. SILK,

for and in consideration of the release of Grantor from certain liability set forth below,

conveys and warrants to GRANTEE, ERROL HANSON,

the following described real estate situated in the County of Skagit, State of Washington, together with all after acquired title of the grantor(s) therein,

Tract "D", Short Plat No. 97-0044, approved October 28, 1998, recorded October 29, 1998, in Volume 13 of Short Plats, pages 178 and 179, under Auditor's File No. 9810290045 and being a portion of the Southeast ¼ of Section 33, Township 35 North, Range 5 East, W.M.

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities over and across that certain 60 foot private road designated as Kretz Lane on the face of said Short Plat and over and across that certain unnamed 60 foot private road over Tract "A" of said Short Plat No. 97-0044, as shown on the face of said Short Plat and over and across that certain unnamed 20 foot private road over Tract "B" of said Short Plat No. 97-0044, as shown on the face of said Short Plat.

Situate in the County of Skagit, State of Washington.

This deed is given as an absolute conveyance, assignment and interest of all title or interest of the grantor(s) in the real property described herein and is not intended as a

Silk/HansonDeed

mortgage, trust conveyance or security of any kind. It is the intention of grantors to convey to grantees all their right, title and interest in the property to the grantee. This deed is executed and delivered by the Grantor(s) in connection with the deed of trust executed by Grantor, dated May 30, 2000, and recorded on June 28, 2000, under Auditors File No. 200006280048, Records of Skagit County, State of Washington, to Land Title Company of Skagit County, as Trustee, in favor of Errol Hanson as Beneficiary.

It is warranted and covenanted by the Grantor in executing this Deed in Lieu of Foreclosure and agreed by the Grantee in accepting the Deed as follows:

1. The consideration for the execution of this Deed in Lieu consists of the release of the Grantor(s) from any personal liability for repayment of the amount due to the Grantee under the promissory note dated May 30, 2000, outstanding as of the date hereof. Nothing shall be construed to release the Grantor(s) or any other party from any other obligations to the Grantee, including any other obligations that may also be secured by the Deed of Trust described above or to preclude or otherwise prejudice the Grantee's right to proceed with a foreclosure action against the property or any other property secured by the Deed of Trust, provided that the Grantee shall not seek any deficiency judgment against the Grantor(s) in such foreclosure. The consideration set forth above is equal to the fair market value of the property and includes the fair and reasonable value of the Grantor(s) interest in the property.
2. This deed is executed voluntarily by Grantor, and not pursuant to duress or threats of any kind. Furthermore, it is executed and delivered in mutual good faith between Grantor and Grantee, and is not given or intended to hinder, delay, or defraud any creditor, or to contravene any of the bankruptcy laws of the United States or applicable laws.
3. Grantor(s) further warrant and represent that: (a) the Grantor has full power and authority to execute and deliver this Deed in Lieu; (b) this conveyance and assignment is freely and fairly made; and (c) Grantor is not rendered insolvent by this conveyance and assignment.
4. The Grantee by accepting and recording this deed does not intend a merger of its interest under that certain deed of trust referenced above, with the fee title herein conveyed to take place, and it is the intention of the parties that the property described above shall remain subject to the lien of said deed of trust. Although the Grantee waives its right to pursue a personal judgment against the Grantor(s) for the debt(s) referenced in Paragraph 1, above, the Grantee retains the right to proceed with the foreclosure of the Deed of Trust against the property in the event a foreclosure is required to clear title to the property of any existing or future encumbrances junior to the Deed of Trust.



Dated 1-31, 20 03

Grantor:

Terry M. Silk
Terry M. Silk

Grantee:

Errol Hanson
Errol Hanson

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SKAGIT COUNTY WASHINGTON
Real Estate Excise Tax
PAID

JAN 02 2004

Amount Paid \$ 2
Skagit County Treasurer
By: LP Deputy

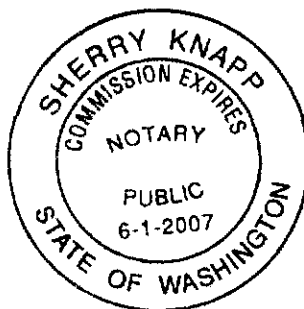
STATE OF WASHINGTON)

) ss

COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that TERRY M. SILK is the person(s) who appeared before me, and said person(s) acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this instrument.

Dated Dec 31, 20 03



Typed/printed notary name

Sherry Knapp
Sherry Knapp

Residing at

Burlington

My appointment expires

6-1-07

