



200504150052  
Skagit County Auditor

4/15/2005 Page 1 of 3 12:52PM

AFTER RECORDING RETURN TO:

Name William R. Allen  
Address PO Box 437  
City, State, Zip Sedro-Woolley, WA 98284

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

Grantor: Hoffecker, Dan  
Grantee: Hanson, Errol  
Abbrev. Leg. Lot 1 and 2, Block 81, SECOND ADDITION TO SEDRO, Vol. 3, #1734  
Tax Acct. No. 4151-081-002-0007/ P76172  
Document Ref. No. 9609250060

APR 15 2005  
Amount Paid \$  
By Skagit Co. Treasurer Deputy

**DEED IN LIEU OF FORECLOSURE**

THE GRANTOR, DAN HOFFECKER, a single man,

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

conveys and warrants to GRANTEE, ERROL HANSON, as his separate,

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, and together with all leases, rents, issues and profits associated therewith, and together with all assets of the business opportunity known as Cascade Tire and Auto, located thereon, including all furniture, fixtures, equipment, appliances and all other property of any kind owned by the Grantor and located on the real property described herein or used or intended to be used on the real property:

Lots 1 and 2, Block 81, "SECOND ADDITION TO SEDRO", according to the plat recorded in Volume 3 of Plats, page 54, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

The address of said property is: 420 State Street, Sedro Woolley, Washington 98284. This deed and bill of sale is given as an absolute conveyance, assignment and interest of all title or interest of the grantor(s) in the real and personal property described herein and is not intended as a 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 certain HoffeckerHansonDeed

Deed of Trust, dated September 17, 1996, and recorded on September 25, 1996, under Auditors File No. 9609250060, Records of Skagit County, State of Washington, from Dan Hoffecker, as Grantor(s), to Land Title Company, as Trustee, to secure an obligation in favor of Errol Hanson, as Beneficiary and the Security Agreement between Dan Hoffecker, as debtor, and Errol Hanson, as secured party, dated September 16, 1996, pledging all assets of the business known as Cascade Tire and Auto.

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 and Bill of Sale 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 September 16, 1996, 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 and Security Agreement 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 and security agreement 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 and security agreement. 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 4-15, 2005

HoffeckerHansonDeed

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Grantor

Dan Hoffecker

Grantee

Errol Hanson

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF SKAGIT )

I certify that I know or have satisfactory evidence that Dan Hoffecker ~~Errol Hanson~~ is/are the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument and acknowledged it to be his/her/their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated April 15, 2005



Typed/printed notary name

Virginia L. Pitman

Virginia L. Pitman

Residing at

Burlington

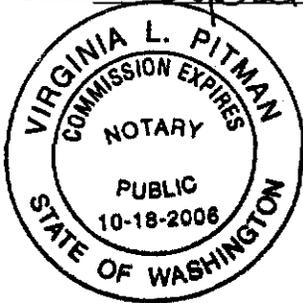
My appointment expires

10-18-2006

STATE OF WASHINGTON )  
 ) ss  
COUNTY OF SKAGIT )

I certify that I know or have satisfactory evidence that Errol Hanson is/are the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument and acknowledged it to be his/her/their free and voluntary act for the uses and purposes mentioned in this instrument.

Dated April 15, 2005



Typed/printed notary name

Virginia L. Pitman

Virginia L. Pitman

Residing at

Burlington

My appointment expires

10-18-2006

