



200504270146

Skagit County Auditor

4/27/2005 Page

1 of

8 3:39PM

AFTER RECORDING RETURN TO:

ROUTH CRABTREE OLSEN, P.S.
ATTN: BRIAN J. CARTER
3535 FACTORIA BOULEVARD SE, STE. 200
BELLEVUE, WA 98004
Ref: 7116.80002

FIRST AMERICAN TITLE CO.

82421-1

Document Title(s):

Rescission of Trustee's Deed and Reinstatement of Deed of Trust

Reference Number(s) of Documents assigned or released:

Deed of Trust Recording No. 200307310096

Trustee's Deed Recording No. 200501180145

Grantor:

Union Federal Bank of Indianapolis

1990
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

Grantee:

1. Jerrod M. Pehl and Marilyn D. Pehl
2. Bay Creek Mortgage 3. First American Title

Abbreviated Legal Description as follows:

Tract 4, Short Plat No. 90-72, approved March 11, 1991, recorded March 22, 1991, in volume 9 of short plats

APR 27 2005

Amount Paid \$
Skagit Co. Treasurer
By *fr* Deputy

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

350716-2-007-1102 P104413

**RESCISSION OF TRUSTEE'S DEED
AND
REINSTATEMENT OF DEED OF TRUST**

This Agreement is made, executed and entered into this 25th day of April, 2005, by and among Jerrod M. Pehl and Marilynn D. Pehl, (collectively "Borrower"); Union Federal Bank of Indianapolis ("Lender"); and NW Trustee Services, Inc. ("Successor Trustee") with respect to the recitals, covenants, conditions and agreements set forth below.

RECITALS

1. On or about July 9, 2003, Lender or its predecessor in interest made a loan to Borrower in the amount of \$118,699.00. The loan is evidenced by a Note in the amount of \$118,699.00. The Note is secured by a Deed of Trust ("Deed of Trust") dated July 9, 2003, executed by Borrower, and recorded under Skagit County Auditor's File No. 200307310096.

2. The Deed of Trust encumbers real property located at:

Tract 4, Short Plat No. 90-72, approved March 11, 1991, recorded March 22, 1991, in Volume 9 of Short Plats, Page 332, under Auditor's File No. 9103220022, records of Skagit County, Washington, being a portion of the Southwest 1/4 of the Northwest 1/4 of Section 16, Township 35 North, Range 7 East, W.M.

Commonly known as: 38094 Ammons Road, Concrete, WA 98237 ("Property").

3. The beneficial interest under the deed of trust was assigned by written instrument to Lender. That instrument was recorded under Skagit County Auditor's file No. 200307310097.

4. Because of the defaults under the terms of the Note and Deed of Trust, Lender appointed a Successor Trustee under the Deed of Trust and instructed the Successor Trustee to commence nonjudicial foreclosure of the Deed of Trust pursuant to RCW 61.24 *et seq.*

5. The Successor Trustee conducted a trustee's sale of the real property ("Property") encumbered by the Deed of Trust on January 7, 2005. Lender was the successful bidder for the Property at the trustee's sale. A trustee's deed ("Trustee's Deed") issued to Lender and was recorded on January 18, 2005 under Skagit County Auditor's File No. 200501180145.



6. Prior to the foreclosure sale, Borrower submitted financial information sufficient to warrant the set-up of a repayment plan with Lender. Borrower therefore requested a rescission of the trustee's sale and reinstatement of the Deed of Trust.

7. Subject to the terms and conditions set forth below, Lender has agreed to rescission of the trustee's sale and reinstatement of the Deed of Trust.

AGREEMENT

Now, therefore, in consideration of the Recitals above and the mutual terms, conditions and covenants set forth below, and other good and valuable consideration, the sufficiency of which is acknowledged by all parties hereto, the parties hereby agree as follows:

A. **Rescission of Trustee's Sale.** The trustee's sale of the Deed of Trust evidenced by the Trustee's Deed is hereby rescinded.

B. **Reinstatement of Deed of Trust.** The Deed of Trust is hereby reinstated as if no trustee's sale had occurred. The Deed of Trust, as reinstated, shall enjoy the same priority lien position against the property that the Deed of Trust enjoyed before the trustee's sale.

C. **Conditions to Effectiveness.** The rescission of the trustee's sale evidenced by the Trustee's Deed and the reinstatement of the Deed of Trust shall not be effective unless and until Lender has recorded this Agreement in the records of the Skagit County Auditor.

D. **Release and Hold Harmless.** Borrower, Tenant, and each of them, hereby acknowledge and represent that they do not have any claims, counter-claims, demands, actions, causes of action, suits and/or cross complaints (collectively "Claims"), present or future, known or unknown, which may presently be or could be asserted against Lender, any predecessor in interest, corporations, business enterprises, agents, licensees, employees, attorneys, successors and assigns (collectively "Releasees") regardless of whether such Claims are related to the subject matter of the Action. Borrower, Tenant, and each of them, hereby waive, release and hold harmless Releasees from and against any and all Claims which they have or may have, collectively or individually, against Releasees regardless of whether such Claims are related to the subject matter of the Action.

E. **Duty to Record Agreement.** Lender shall have no duty to record this Agreement unless and until all of the following conditions are satisfied:

1. All parties have duly executed this Agreement;
 2. A Notary Public has acknowledged the signatures of all parties to this Agreement;
- and



200504270146

Skagit County Auditor

4/27/2005 Page

3 of

8 3:39PM

3. Lender has secured the commitment of First American Title Insurance Company that the title company will issue an endorsement to its Policy No. H-792957 insuring the continued, uninterrupted first priority lien position of the Deed of Trust.

F. **Governing Law.** This Agreement shall be construed and enforced according to the laws of the State of Washington.

G. **Attorneys' Fees and Costs.** In any action to construe or enforce this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs, including attorneys' fees and costs in connection with any bankruptcy proceeding and attorneys' fees and costs on appeal.

H. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof. This Agreement may be modified or amended only by written agreement duly executed by all parties hereto.

I. **Counterparts.** This Agreement may be signed by the parties hereto in one or more counterparts, all of which together shall constitute but one original hereof.

[signature pages follow]



BORROWERS

Jerrold M. Pehl

Date: 4/14/05

Marilynn D. Pehl

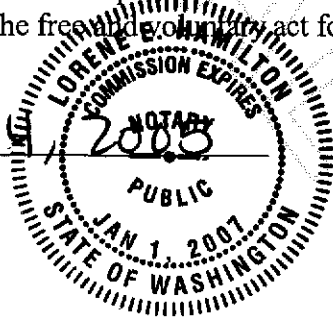
Date: / /

STATE OF Washington)
COUNTY OF Skagit) ss.:

I certify that I know or have satisfactory evidence that Jerrod M. Pehl is the person who appeared before me, and said person acknowledged that they signed this instrument and acknowledged it as the free and voluntary act for the uses and purposes mentioned in the instrument.

DATED

April 1, 2005



Lorene E. Hamilton
(Signature)
Printed Name: Lorene E. Hamilton
Residing At: Skagit
My Appt. Expires: Jan 1, 2007

STATE OF _____)
COUNTY OF _____) ss.:

I certify that I know or have satisfactory evidence that Marilyn D. Pehl is the person who appeared before me, and said person acknowledged that they signed this instrument and acknowledged it as the free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: _____

(Signature)
Printed Name: _____
Residing At: _____
My Appt. Expires: _____



BORROWERS

Jerrod M. Pehl

Date: ___/___/___

Marilynn D. Pehl

Date: 04/04/05

STATE OF Washington)
COUNTY OF Skagit) ss.:

I certify that I know or have satisfactory evidence that Jerrod M. Pehl is the person who appeared before me, and said person acknowledged that they signed this instrument and acknowledged it as the free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 4/4/05

Christopher J. Pollino
(Signature)
Printed Name: Christopher J. Pollino
Residing At: Mount Vernon, wa. 98273
My Appt. Expires: 3/6/08

STATE OF _____)
COUNTY OF _____)

I certify that I know or have satisfactory evidence that Marilynn D. Pehl is the person who appeared before me, and said person acknowledged that they signed this instrument and acknowledged it as the free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: _____

(Signature)
Printed Name: _____
Residing At: _____
My Appt. Expires: _____



LENDER:

Union Federal Bank of Indianapolis

By: Michael W. Waldman

Its: Vice President

Date: 03/17/05

STATE OF Indiana)

) ss.

COUNTY OF Allen)

On this day personally appeared Michael W. Waldman, to me known to be the Vice President of Union Federal Bank, and that he/ she executed the within and foregoing instrument, and acknowledged the said instrument to be his/her free and voluntary act and deed, for the uses and purposes therein mentioned, and on oath stated that he/she execute the said instrument in his/her authorized capacity

GIVEN UNDER MY HAND AND OFFICIAL SEAL this _____ day of _____, 2005.

Tom C. Lange



NOTARY PUBLIC in and for the _____, residing _____ at _____

Tom C. Lange
Notary Public, State of Indiana

A Resident of Allen County
My Commission Expires May 16, 2008

Rescission and Reinstatement Agreement

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Page 5 of 8



200504270146
Skagit County Auditor

4/27/2005 Page 7 of 8 3:39PM

SUCCESSOR TRUSTEE:
Northwest Trustee Services, Inc.

By: [Signature]

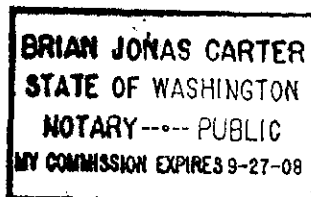
Its: Assistant Vice President

Date: 4/26/2005

STATE OF WA)
) ss.
COUNTY OF King)

On this day personally appeared Jeff Stenman, to me known to be the Asst. Vice President of Northwest Trustee Services, Inc., and that he/she executed the within and foregoing instrument, and acknowledged the said instrument to be his/her free and voluntary act and deed for the uses and purposes therein mentioned, and on oath stated that he/she executed the instrument in his/her authorized capacity.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 26th day of April, 2005.



[Signature]
NOTARY PUBLIC in and for the State of WA, residing at Bellevue. My commission expires 9/27/08



Skagit County Auditor

4/27/2005 Page 8 of 8 3:39PM