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COVER SHEET FOR RECORDING DOCUMENTS

**** THIS DOCUMENT IS BEING RE-RECORDED TO RELEASE THE PROMISSORY
NOTE RECORDED DECEMBER 29, 2005, DOCUMENT NO. 20051220049.**

**Return to: Steven K. Dahl
14822 Benson Road
Bow, WA 98232**

Chicago Title Company has placed
this document for recording as a
customer courtesy and accepts no
liability for its accuracy or validity

DOCUMENT: PROMISSORY NOTE

GRANTORS: Terry M. Dahl and Jason Eastman, each as single individuals

ABBREVIATED LEGAL DESCRIPTION:

**Ptn. SW, SW, NW, Sec. 12 T34N, R3E W.M., See legal description attached
hereto and by reference made a part hereof.**

AUDITORS FILES NO.

COMPLETE LEGAL DESCRIPTION ON PAGE 6

ASSESSOR'S PARCEL/TAX ID NUMBER: 340312-0-070-0008 P21612

PAID IN FULL ON MAY 26, 2006.


STEVEN DAHL

PROMISSORY NOTE

\$10,500.00

Loan No: 001

13411 Avon Allen Road, Mount Vernon, WA 98273

FOR VALUE RECEIVED, Terry Dahl & Jason Eastman hereinafter "Makers" promise to pay to Steven Dahl, hereinafter "Holder" or order at 14822 Benson Road, Bow, Wa 98232, or such other place as may be designated by the Holder, the principal sum of TEN THOUSAND, FIVE-HUNDRED DOLLARS (\$10,500.00) with no interest thereon from the 21st day of December, 2005 on the unpaid principal at the rate of no percent (0%) per annum as follows:

1. **INSTALLMENT PAYMENTS:** Maker shall pay, (check one)
 - a. ☐ **NO INSTALLMENTS.** No installment payments are required.
 2. **PAYMENT DATE:** The entire balance of this Note together with any and all interest accrued thereon shall be due and payable in full on the date of sale of property at 13411 Avon Allen Road, Mount Vernon, WA 98273.
 3. **DEFAULT INTEREST:** After maturity, or failure to make any payment, any unpaid principal shall accrue interest at the rate of eight percent (8%) per annum (18% if not filled in) OR the maximum rate allowed by law, whichever is less, during such period of Maker's default under this Note.
 4. **ALLOCATION OF PAYMENTS:** Each payment shall be credited first to any late charge due, second to interest, and the remainder to principal.
 5. **PREPAYMENT:** Maker may prepay all or part of the balance owed under this Note at any time without penalty.
 6. **CURRENCY:** All principal and interest payments shall be made in lawful money of the United States.
 7. **LATE CHARGE:** If Holder receives any installment payment more than 15** days (15 days if not filled in) after its due date, then a late payment charge of eight percent (8%) of the installment payment (5% of the installment payment if neither is filled in) shall be added to the scheduled payment.
 8. **DUE ON SALE:** *(OPTIONAL-Not applicable unless initiated by Holder and Maker to this Note)* If this Note is secured by a Deed of Trust or any other instrument securing repayment of this Note, the property described in such security instruments may not be sold or transferred without the Holder's consent. Upon breach of this provision, Holder may declare all sums due under this Note immediately due and payable, unless prohibited by applicable law.
9. **ATTORNEYS' FEES AND COSTS:** Maker shall pay all costs incurred by Holder in collecting sums due under this Note after a default, including reasonable attorneys' fees, whether or not suit is brought. If Maker or Holder sues to enforce this Note or obtain a declaration of its rights hereunder, the prevailing party in any such proceeding shall be entitled to recover its reasonable attorneys' fees and costs incurred in the proceeding (including those incurred in any bankruptcy proceeding or appeal) from the non-prevailing party.
10. **WAIVER OF PRESENTMENTS:** Maker waives presentment for payment, notice of dishonor, protest and notice of protest.
11. **NON-WAIVER:** No failure or delay by Holder in exercising Holder's rights under this Note shall be a waiver of such rights.
12. **SEVERABILITY:** If any clause or any other portion of this Note shall be determined to be void or unenforceable for any reason, such determination shall not affect the validity or enforceability of any other clause or portion of this Note, all of which shall remain in full force and effect.


Maker (Initials)


Holder (Initials)



13. **INTEGRATION:** There are no verbal or other agreements that modify or affect the terms of this Note. This Note may not be modified or amended except by written agreement signed by Maker and Holder.
14. **CONFLICTING TERMS:** In the event of any conflict between the terms of this Note and the terms of any Deed of Trust or other instruments securing payment of this Note, the terms of this Note shall prevail.
15. **EXECUTION:** Each Maker executes this Note as a principal and not as a surety. If there is more than one Maker, each such Maker shall be jointly and severally liable under this Note.

ORAL AGREEMENTS: ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[Signature]
Maker (Initials)

[Signature]
Holder (Initials)

18. **DEFINITIONS:** The word Maker shall be construed interchangeably with the words Borrower or Payer and the word Holder shall be construed interchangeably with the words Lender or Payee. In this Note, singular and plural words shall be construed interchangeably as may be appropriate in the context and circumstances to which such words apply.

19. **ADDITIONAL TERMS AND CONDITIONS:** (check one)

a. ☐ None

Dated: December 21, 2005

Maker (signatures)

Holder

[Signature]
Terry Dahl

[Signature]
Steven Dahl

[Signature]
Jason Eastman

Maker's address for all notices given by Holder under this Note:

DO NOT DESTROY THIS NOTE
WHEN PAID this original Note together with the Deed of Trust securing the same, must be surrendered to the Trustee for cancellation and retention before any reconveyance can be processed.



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FINANCING AGREEMENT

This **FINANCING AGREEMENT** is made on this 21st day of December, 2005 between **Terry Dahl and Jason Eastman**, ("Debtor"), and **Steven Dahl** ("Secured Party").

RECITALS:

- A. Debtor has provided financing to Debtor for certain improvements to real property, which real property is situated at 13411 Avon Allen Road, Mount Vernon, WA 98273, and more particularly described in Exhibit "A," attached hereto and incorporated herein.
- B. The value of such financing is \$10,500.00, which sum was borrowed by Debtors for certain improvements to above-referenced property.
- C. The real property described in Exhibit "A" is currently on the market, and is expected to be sold by Debtor within a reasonable period of time, but no later than December 31, 2006.
- D. The parties hereto wish to formalize their agreement, and provide for the collection of those amounts set forth above.

1. FINANCING INTEREST. Debtor agrees to compensate Secured Party through the payment of the sum of \$10,500.00 out of escrow at such time as Debtor's in the real property is transferred to any third party.

As additional collateral, Debtor executes a Promissory note, of even date, to secure the payment of such debts by Debtor to Secured Party, and the payment and performance of all other liabilities and obligations of Debtor to Secured Party of every kind and description, direct or indirect, absolute or contingent, due or to become due now existing or hereafter arising.

2. COVENANTS. Debtor hereby warrants and covenants: (a) Debtor will immediately notify Secured Party in writing in the event any sale of the real property fails to close for any reason; (b) Secured Party's interest in the proceeds from the sale of the real property shall be superior to Debtor's interest in the proceeds; (c) Debtor shall keep the real property free from unpaid charges, including taxes, and liens; (d) Debtor shall maintain insurance at all times with respect to the real property against risks of fire, and other such casualty or loss; (e) Debtor shall make all repairs, replacements, additions, and improvements necessary to maintain improvements on the real property in good working order and condition.

3. DEFAULT. The Debtor shall be in default under this Agreement upon the happening of any of the following: (a) any misrepresentation in connection with this Agreement on the part of the Debtor. (b) any noncompliance with or nonperformance of the Debtor's



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obligations under the Note or this Agreement. (c) if Debtor is involved in any financial difficulty as evidenced by (i) an assignment for the benefit of creditors, or (ii) an attachment or receivership of assets not dissolved within thirty (30) days, or (iii) the institution of Bankruptcy proceedings, whether voluntary or involuntary, which is not dismissed within thirty (30) days from the date on which it is filed. Upon default and at any time thereafter, Secured Party may declare all obligations secured hereby immediately due and payable and shall have the remedies allowed by law.

4. INTERPREATION AND VENUE. Washington law shall govern the interpretation of this Agreement. Skagit County shall be the venue of any arbitration or lawsuit arising out of this Agreement.

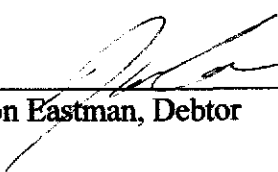
5. SEVERABILITY. If one or more of the clauses of this Agreement is found to be unenforceable, illegal, or contrary to public policy, the Agreement will remain in full force and effect except for the clauses that are unenforceable, illegal, or contrary to public policy.

6. INTEGRATION. This Agreement constitutes the complete and final agreement of the parties and replaces and supersedes all oral and/or written proposals and agreements heretofore made on the subject matter and may be modified only by a writing signed by both parties.

By:



Terry Dahl, Debtor



Jason Eastman, Debtor

Date: 12-21-05



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EXHIBIT 'A'

Order No: IMV1195 MKP

Description:

That portion of the Southwest Quarter of the Southwest Quarter of the Northwest Quarter of Section 12, Township 34 North, Range 3 East of the Willamette Meridian, described as follows:

Beginning at a point on the East line of the county road a distance of 80 feet South of the Northwest corner of the Southwest Quarter of the Southwest Quarter of the Northwest Quarter;
thence South along said East line of the county road a distance of 80 feet;
thence East at right angles a distance of 183 feet;
thence North at right angles a distance of 80 feet;
thence West to the point of beginning;

EXCEPT the East 24 feet thereof.

Situated in Skagit County, Washington.



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