

WHEN RECORDED RETURN TO:

NAME: Chicago Title Insurance Company
ADDRESS: 4717 S. 19th Street, Ste 109
CITY, STATE, ZIP: Tacoma, WA 98405
Attn: Jann Gay/Renee Sorensen



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Skagit County Auditor

6/8/2006 Page 1 of 7 11:14AM

**CHICAGO TITLE IQB2863
ACCOMODATION RECORDING**

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Chicago Title Insurance Company

4717 So. 19th Street - Tacoma, Washington 98405 4325263

DOCUMENT TITLE(s)

1. Stipulation for Interlocutory Sale
- 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. United States of America
- 2.
- 3.

additional names on page _____ of document

GRANTEE(s)[Last name first, then first name and initials]:

1. Geoffrey Newman
2. Citifinancial Services, Inc.
- 3.

additional names on page _____ of document

LEGAL DESCRIPTION[Abbreviated: i.e., lot, block, plat; or section, township, range]:

Portion of land in NE 1/4 of the NW 1/4 of

Section: 7 Township: 36 N Range: 4E

complete legal description is on page 2 & 3 of document

ASSESSOR'S PROPERTY TAX PARCEL ACCOUNT NUMBER(s):

360407-2-026007 P 49046 & 360407-2-025-008 P 49045

The Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

Judge Lasnik

03-CV-03241-STIP

I hereby certify that the annexed instrument is a true and correct copy of the original on file in my office.
ATTEST: BRUCE RIFKIN
Clerk, U.S. District Court
Western District of Washington

By Bruce Rifkin
Deputy Clerk

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

NO. C03-3241L

Plaintiff,

STIPULATION FOR
INTERLOCUTORY SALE OF
REAL PROPERTY LOCATED AT 1215
OLD HIGHWAY 99 NORTH ROAD,
BELLINGHAM, WASHINGTON, AND
SUBSTITUTION OF RES

v.

REAL PROPERTY LOCATED AT
1215 OLD HIGHWAY 99 NORTH
RD., BELLINGHAM,
WASHINGTON, et al.,

(Title vested in the name of Geoffrey
Newman)

Defendants.

The undersigned parties in this action, the United States of America, Geoffrey Newman, and Citifinancial Services, Inc., by and through their respective undersigned counsel, hereby stipulate and agree to the Interlocutory Sale of the real property located at 1215 Old Highway 99 North Road, Bellingham, Washington (hereinafter "defendant real property"), as follows:

1. This is a civil case, wherein the above identified property has been named as a defendant asset in a civil forfeiture action, seeking forfeiture pursuant to Title 21, United States Code, Section 881(a)(6), as proceeds of alleged violations of Title 21, United States Code, Section 841(a)(1).

2. The defendant real property is located in Skagit County, State of Washington, and is more particularly described as follows:

PTN NE 1/4 NW 1/4 BAT SE C SD SUB TH N AL GELI

STIPULATION FOR INTERLOCUTORY SALE OF
REAL PROPERTY LOCATED AT 1215 OLD HIGHWAY
99 NORTH ROAD, ET AL - 1
C03-3241L



200606080067
Skagit County Auditor

1 THOF 220FT IIE WLY PLW S LI SD SUB TO ELY R/W
2 LI ST WHY TH SELY ALG SD R/W LI TO S LI SD SUB
3 TII ELY ALG SD S LI TP BEXC RD & DTCH R/W

4 Parcel Number: P49046
5 XrefID Number: 360407-2-026-0007; AND

6 BAT SE C NE 1/4 NW 1/4 TH W ALG S LI SD SUB TO E LI ST HWY
7 7FT TH W 9RDS 5FT TO E LI CO RD TH NLY ALG RD TPB EXC
8 TAX 13 B

9 Parcel Number: P49045
10 XrefID Number: 360407-2-025-0008

11 The defendant real property was acquired by Geoffrey Newman on or about
12 September 12, 1997.

13 3. Citifinancial Services, Inc. has noted a foreclosure sale regarding the
14 defendant real property. The United States does not dispute that Citifinancial has a
15 valid lien and is entitled to payment of the outstanding balance due on its promissory
16 note and deed of trust from the proceeds of the sale of the above-described defendant
17 real property.

18 4. On February 23, 2004, the Court entered an order staying the civil case,
19 pending resolution of the related criminal case, United States v. Geoffrey Newman, et
20 al., No. CR03-482RSL. That case has now been resolved, and the United States
21 sought to re-open the civil case. On August 2, 2004, the Court entered an Order
22 reopening the civil case, C03-3241L.

23 5. The parties hereby stipulate and agree that it is in the best interest of all
24 the parties for the property to be sold in an interlocutory sale as soon as possible to
25 avoid economic waste, as the mortgage payments on the property have not been kept
26 current, and to avoid further default and foreclosure, to pay off the deed of trust
27 beneficiary and to deposit the remaining funds after deduction of the costs of the sale,
28 to be held as a substitute res during the pendency of the civil forfeiture litigation.

6. The parties agree that Customs and Border Protection, by and through its
contractor for real estate management and sales, EG&G, will market and sell the

STIPULATION FOR INTERLOCUTORY SALE OF
REAL PROPERTY LOCATED AT 1215 OLD HIGHWAY
99 NORTH ROAD, ET AL - 2
C03-3241L



200606080067
Skagit County Auditor

1 above-described defendant real property. The parties further agree that claimants will
2 be notified of all reasonable offers to purchase the above-described defendant real
3 property. Prior to the sale of the defendant real property, claimant Geoffrey Newman
4 and the United States will agree upon a minimum selling price that will provide a floor
5 for any offer or bids during the sale process.

6 7. The purchase price of the defendant real property will be a cash price.

7 8. The parties agree that the net proceeds from the sale of the defendant real
8 property will include all money realized from the sale of the defendant property, except
9 the following, which, upon closing of the sale, are to be disbursed as follows:

10 a) real estate commissions, if any, and any other costs associated with
11 the marketing and sale of the defendant real property;

12 b) The amounts due the lienholder, Citifinancial Services, Inc.,
13 pursuant to its promissory note and deed of trust, including
14 reimbursable attorneys fees incurred up to the point of sale.
15 Counsel for Citifinancial Services Inc. will submit to the United
16 States and file with the court prior to closing, an itemized
17 statement of all funds due to pay in full on the note and deed of
18 trust including attorneys fees.

19 c) Amounts due the holder of any other valid liens which were
20 recorded prior the time plaintiff's notice of *Lis Pendens* was
21 recorded, including

22 i) Real estate property taxes which are due and owing;
23 ii) Insurance costs, if any, paid by the lienholder, Citifinancial
24 Services, Inc.;

25 d) All additional costs incurred by Customs and Border Protection,
26 in connection with the maintenance and repair of the defendant
27 property;

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STIPULATION FOR INTERLOCUTORY SALE OF
REAL PROPERTY LOCATED AT 1215 OLD HIGHWAY
99 NORTH ROAD, ET AL - 3
C03-3241L

UNITED STATES ATTORNEY



200606080067
Skagit County Auditor

- 1 e) Escrow fees;
- 2 f) Document recording fees not paid by the buyer;
- 3 g) Title fees; and
- 4 h) County transfer taxes.

5 9. The balance of the sale proceeds, including the earnest money payment
6 and down payment, will be deposited in the United States Treasury's Seized Asset
7 Deposit Account or any other account designated by the United States Customs and
8 Border Protection agency, pending the conclusion of the forfeiture proceedings and
9 further order of the Court.

10 10. Plaintiff and Claimant Geoffrey Newman hereby agree to substitute the
11 net sales proceeds realized from the sale of the defendant property as a "substitute res"
12 for the defendant real property in this lawsuit, and the Court shall retain jurisdiction
13 over the net sales proceeds until the conclusion of the forfeiture proceedings. The
14 interlocutory sale of the property and the substitution of the net sales proceeds for the
15 property shall not affect any rights any the parties may have to litigate this action. In
16 other words, the forfeiture proceedings shall continue as if the property had not been
17 sold, and the only difference shall be that the net sales proceeds shall be substituted for
18 the property in any forfeiture order entered by the Court.

19 11. Claimant Geoffrey Newman agrees that he will retain custody, control,
20 and responsibility for the defendant real property until the Interlocutory Sale has been

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STIPULATION FOR INTERLOCUTORY SALE OF
REAL PROPERTY LOCATED AT 1215 OLD HIGHWAY,
99 NORTH ROAD, ET AL - 4
C03-3241L



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Skagit County Auditor

1 completed. Claimant Newinan further agrees that he will retain existing insurance on
2 the defendant real property until the Interlocutory Sale has been completed.

3 DATED this 22nd day of July, 2005.

4 Respectfully submitted,

5 JOHN McKAY

6
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8 RICHARD F. COHEN
9 Assistant United States Attorney
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19 206/ 343-1111; fax 340-1936

20 S/Sean Wiggins
21 SEAN WIGGINS, Vice President
22 Citifinancial Services, Inc.

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STIPULATION FOR INTERLOCUTORY SALE OF
REAL PROPERTY LOCATED AT 1215 OLD HIGHWAY
99 NORTH ROAD, ET AL - 5
C03-3241L



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Skagit County Auditor

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ORDER

This Stipulation for Interlocutory Sale is hereby approved.

DATED this 25th day of July, 2005.

M/S Casnik
UNITED STATES DISTRICT JUDGE

PRESENTED BY:

S/Richard E. Cohen
RICHARD E. COHEN
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STIPULATION FOR INTERLOCUTORY SALE OF
REAL PROPERTY LOCATED AT 1215 OLD HIGHWAY
99 NORTH ROAD, ET AL - 6
C03-3241L

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