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When recorded, mail to:

REGIONAL TRUSTEE SERVICES CORPORATION 616 1st Avenue, Suite 500 Seattle, WA 98104

REK Forfeiture No: 01-CM-54865

Loan No. TRONSDAL

GUARDIAN NORTHWEST TITLE CO. 94223

ACCOMMODATION RECORDING ONLY

NOTICE OF INTENT TO FORFEIT REAL ESTATE CONTRACT

Pursuant to R.C.W. Chapter 61.30, et seg. and 62A.9A-604(a)(2) et seg.

YOU ARE HEREBY NOTIFIED that the Real Estate Contract described below is in default and you are provided the following information with respect thereto:

1. SELLER

The name, address and telephone number of the seller is ERROL HANSON FUNDING, INC., c/o BULLIVANT HOUSER BAILEY PC, 1601 5TH AVENUE #2300, SEATTLE, WASHINGTON 98101, ATTN.: RICHARD G. BIRINYI (206) 292-8930

SELLER'S AGENT

The name, address and telephone number of the seller's agent giving the notice is REGIONAL TRUSTEE SERVICES CORPORATION, 616 1st Avenue, Suite 500, Seattle, WA 98104; (206) 340-2550.

DESCRIPTION OF THE CONTRACT.

Real Estate Contract dated 1/30/1997, executed by AGNES TRONSDAL, AS HER SEPARATE PROPERTY, as Seller, and HOWARD CURTIS TRONSDAL AND DEANNE M TRONSDAL, HUSBAND AND WIFE, as Purchaser, which Contract, or memorandum thereof, was recorded on 2/10/1997, under Recording No. 9702100053, records of SKAGIT County, State of WASHINGTON. The Seller's interest in said contract has been assigned to ERROL HANSON FUNDING, INC..

4. LEGAL DESCRIPTION OF THE PROPERTY

A PORTION OF GOVERNMENT LOT 1 AND N 1/2 OF NE 1/4, 31-33-4 EWM AS MORE FULLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO.

Tax Parcel No. 330431-1-002-0006,

The postal address of the Property is purported to be: 18663 MILLTOWN ROAD, MT. VERNON, WA 98273.

DESCRIPTION OF DEFAULT

Failure to pay the following past due items, the amounts and an itemization for which are given in paragraphs 8 and 9 below:

FAILURE TO PAY THE PRINCIPAL BALANCE WHICH BECAME DUE AT MATURITY, TOGETHER WITH ACCRUED AND ACCRUING INTEREST, CHARGES, FEES AND COSTS AS SET FORTH.

EXPIRATION OF THE TIME FOR CURE

Failure to cure all of the defaults listed in 5 above, on or before **June 20, 2008**, will result in the forfeiture of the Contract.

- FORFEITURE OF THE CONTRACT WILL RESULT IN THE FOLLOWING:
- All right, title and interest in the property of the purchaser and, to the extent elected by seller, of all
 persons claiming through the purchaser or whose interests are otherwise subordinate to the seller's
 interest in the property given this notice shall be terminated;
- b) The purchaser's rights under the Contract shall be cancelled;
- c) All of the purchaser's rights in all improvements made to and in unharvested crops and timber thereon shall belong to the seller; and
- d) The purchaser and all other persons occupying the property whose interests are forfeited shall be required to surrender possession of the property, improvements and unharvested crops and timber to the seller within ten days after the declaration of forfeiture is recorded.

8. MONETARY DEFAULT

The following is a statement of payments of money in default (or where indicated, an estimate thereof) and for any defaults not involving the failure to pay money the action(s) required to cure the default:

	March 20, 2008
Unpaid Principal	155,980.84
Interest	√ ∕\$ √50,079.26
Accrued Late Charges	(\$ // 0.00
Beneficiary Advances:	\$ 3,700.00
Suspense Credit:	0.00
TOTAL:	\$ 209,760.10

Actions required to cure any non-monetary default: Payment and/or proof of payment.

9. OTHER CHARGES, COSTS AND FEES

The following is a statement of all other payments, charges, fees and costs, if any, or where indicated, an estimate thereof, to cure the default:

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Seller Agent Fee	\$	600.00
Certified Mailing Cost	\$	25.00
Recording Cost	\$	23.00
TSG Guarantee Policy	\$	793.80
	=====	
TOTAL CHARGES, COSTS AND FEES:	Ś	1.441.80

THE ESTIMATED AMOUNT NECESSARY TO CURE THE DEFAULT IS THE SUM OF PARAGRAPHS 8 AND 9 ABOVE IN THE AMOUNT OF \$211,201.90, PLUS the amount of any interest, forfeiture fees, advances and attorney fees and costs which may fall due after the date of this Notice of Intent to Forefeit and on or prior to the date the default is cured. However, because some of the items can only be estimated at this time and because the amount needed to cure the default may include presently unknown expenditures required to preserve the property or to comply with state or local laws, it will be necessary for you to contact the undersigned prior to the time you tender funds so that you may be advised of the exact amount you will be required to pay.

Monies required to cure the default must be in the form of cash or a cashier's check and may be tendered to:

REGIONAL TRUSTEE SERVICES CORPORATION 616 1st Avenue, Suite 500 Seattle, WA 98104

10. RIGHT TO CONTEST FORFEITURE

The person to whom this notice is given may have the right to contest the forfeiture or to seek an extension of time to cure the default if the default does not involve a failure to pay money, or both, by commencing a court action by filing and serving the summons and complaint before the declaration of forfeiture is recorded. NO EXTENSION IS AVAILABLE FOR DEFAULTS WHICH ARE A FAILURE TO PAY MONEY.

11. RECOURSE TO COURTS

The person(s) to whom this notice is given has the right to request a court to order a public sale of the property. Such public sale will be ordered only if the court finds that the fair market value of the property substantially exceeds the debt owed under the Contract and any other liens having priority over the seller's interest in the property. The excess, if any, of the highest bid at the sale over the entire debt owed under the Contract will be applied to the liens eliminated by the sale and the balance, if any, will be paid to the purchaser under the Contract. Upon any request for a public sale, the court will require the person who requests the sale to deposit the anticipated sale costs with the Clerk of the Court. Any action to obtain an order for public sale must be commenced by filing and serving a summons and complaint before the declaration of forfeiture is recorded.

12. NOTICES

The Seller is not required to give any person any other notice of default before the declaration which completes the forfeiture is given, except as provided in the Contract or other agreement as follows:

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13. ADDITIONAL INFORMATION

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EARLIER NOTICE SUPERSEDED: This Notice of Intent to Forfeit supersedes any Notice of Intent to Forfeit which was previously given under this Contract and which deals with the same defaults.

DATED: 3/20/2008

REGIONAL TRUSTEE SERVICES CORPORATION

Seller's Agent

DEBORAH KAUFMAN, VICE PRÉSIDENT Address:

616 1st Avenue, Suite 500

Seattle, WA 98104

Phone:

(206) 340-2550

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Sale Information: www.rtrustee.com

STATE OF WASHINGTON

SS

COUNTY OF KING

On 3/20/2008, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared DEBORAH KAUFMAN, to me known to be the VICE PRESIDENT of REGIONAL TRUSTEE SERVICES CORPORATION, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year-first above written.

NOTARY PUBLIC in and for the State of

WASHINGTON, residing at:

My commission expires:

KRISTINA DAUTERMAN STATE OF WASHINGTON

NOTARY PUBLIC

MY COMMISSION EXPIRES

08-16-11

080324012

Skagit County Auditor

EXHIBIT FOR LEGAL DESCRIPTION

Trustee's Sale No. 01-CM-54865

PARCEL "A":

Government Lot 1, Section 31, Township 33 North, Range 4 East, W.M., lying East of the Pacific Highway and North of the North line of County road along the South line of said Government Lot 1, EXCEPT that portion of Government Lot 1 conveyed to Dike District No. 16, recorded October 14, 1929, under Auditor's File No. 227612.

TOGETHER WITH that portion of the North 1/2 of the Northeast 1/2 of said Section 31, Township 33 North, Range 4 East, W.M., lying Westerly of the following described line:

Beginning at the Northeast corner of said Section 31, Township 33 North, Range 4 East, W.M.; thence North 88°15'45" West along the North line of said subdivision, a distance of 1,069.81 feet to the true point of beginning of this line description;

thence South 8°52'21" West a distance of 658.61 feet;

thence South 47°52'36" West a distance of 115.10 feet to a point hereinafter called "Point A"; thence continue South 47°52'36" West to the North right-of-way line of County road known as the Milltown Road and the terminus of this line description.

EXCEPT that portion lying Southerly of the following described line:

Beginning at "Point A" above described;

thence North 88°15'45' West, parallel to the North line of the Northeast ½ of said Section 31, to the East line of the County road and the terminus of this line description.

ALSO, EXCEPT that portion conveyed to Dike District No. 16 by deed recorded October 11, 1929, under Auditor's File No. 227599.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

The North 1/3 of the Northcast 1/4 of said Section 31, Township 33 North, Range 4 East, W.M.

EXCEPTING that portion lying Westerly of a line described as follows:

Beginning at the Northeast corner of said Section 31, Township 33 North, Range 4 East, W.M.; thence North 88°15'45" West along the North line of said subdivision, a distance of 1,069.81 feet to the true point of beginning of this line description;

thence South 8°52'21" West a distance of 658.61 feet:

thence South 47°52'36" West to the North right-of-way line of the County road known as the Milltown Road and the terminus of this line description.

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DESCRIPTION CONTINUED:

PARCEL "B" continued:

ALSO, EXCEPT that portion lying within Skagit County Short Card Sub. No. 99-0034, recorded December 10, 2001, under Auditor's File No. 200112100228, records of Skagit County, Washington.

ALSO, EXCEPT the following described tract:

Beginning at a point 851.5 feet West of Section line between said Sections 31 and 32, and on North line of thence North 165 feet; thence East 32 rods; thence South 10 rods; thence West 32 rods to the point of beginning.

ALSO, EXCEPT that portion described as follows:

Beginning at the Southwest corner of that certain parcel conveyed to Walter C. Boyd, Jr., on March 7, 1997, under Auditor's File No. 9703120082, records of Skagit County, Washington; thence North along the West boundary of said Boyd parcel, for a distance of 165.00 feet to the Northwest corner of said parcel;

thence West on the Westerly extension of the North line of said Boyd parcel, for a distance of 50.00 feet; thence South parallel with said West line for a distance of 165.00 feet to the West extension of the South line of said Boyd parcel;

thence East along said South line for a distance of 50.00 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.

