



200902060090

Skagit County Auditor

2/6/2009 Page 1 of 3 1:12PM

After Recording Return To:
Puget Sound Investors
P.O. Box 2116
Mount Vernon, WA 98273

DOCUMENT TITLE: QUIT CLAIM DEED
GRANTOR: LANDMARK BUILDING AND DEVELOPMENT, INC.
GRANTEE/BENE.: KAR EMPORIUM, INC.
GRANTEE/TRUSTEE: GUARDIAN NORTHWEST TITLE AND ESCROW
LEGAL DESC.: Lots 5-9, 18 and Ptn. 19, "Plat of Sunrise Addition, Skagit County"
TAX PARCEL NOS.: 4064-000-005-0000 (P70883), 4064-000-006-0009 (P70884)
4064-000-007-0008 (P70885), 4064-000-008-0007 (P70886)
4064-000-009-0006 (P70887), 4064-000-018-0005 (P70914)
4064-000-019-0004 (P70915)

QUIT CLAIM DEED (In Lieu of Foreclosure)

The Grantor, LANDMARK BUILDING AND DEVELOPMENT, INC., a Washington Corporation, for consideration of in lieu of foreclosure, hereby conveys and quit claims to KAR EMPORIUM, INC., the following described real estate, situated in the County of Skagit, State of Washington, together with all after acquired title of the grantor therein:

Lots 5, 6, 7, 8, 9, 18 and the North 40 feet of Lot 19, "Plat of Sunrise Addition, Skagit County", as per plat recorded in Volume 4 of Plats, page 44, records of Skagit County, Washington.

This deed represents a conveyance to Grantee of all interest the Grantor has in the subject property and is given in forgiveness of that certain debt owed to Grantee by LANDMARK BUILDING AND DEVELOPMENT, INC., under that certain Note dated September 20, 2007, being secured by a Deed of Trust recorded under Auditor's File No. 200709210079, records of Skagit County, Washington. Though this deed represents a full conveyance of the Grantor's interest in the subject real property, it does not prohibit the Grantee from foreclosure of the said Deed of Trust, without recourse to the Grantor. In the event that any creditors of the Grantor should challenge this transfer of title or should they assert priority over the lien and sums due under the said Note and all other sums advanced by the Grantee in connection with the said property, then the Grantee shall have the absolute right to foreclose, either judicially or non-judicially, pursuant to the terms of the said Deed of Trust referenced herein.

The parties intend that this deed will not merge with the Deed of Trust originally given by Grantor to Grantee and that Grantee shall retain all rights to foreclose embodied in the existing Deed of Trust of record and in favor of Grantee.

Grantor is in default in both principal and interest due under the said Note secured by the Deed of Trust. The Note is presently due and payable in full and as of this date the Grantor is unable to meet the obligations of the said Note and Deed of Trust according to the respective terms.

The foregoing is intended as a conveyance, transfer and assignment of all of the Grantor's right to possession, rentals and equity of redemption in and to said property as of the date this deed is accepted by Grantee.

The value of the real property conveyed this date is not in excess of the amount of all indebtedness outstanding against such property.

Grantee does not assume any indebtedness of Grantor to any other party by virtue of accepting this deed in lieu of foreclosure.

The transfer of legal title to the real property herein described to Grantee is not intended by the parties to create a merger of the separate estate or title held by Grantee in and under that certain Deed of Trust reference above. Rather, it is the intention of Grantor and Grantee that Grantee's security or lien interest in the real property under the Deed of Trust shall continue in force and remain separate and alive.

Dated this 5th day of February, 2009.

LANDMARK BUILDING AND DEVELOPMENT, INC.

By: JOHN ELLIS, President

Accepted and Approved:

KAR EMPORIUM, INC.

By: JAMES WALTON, President



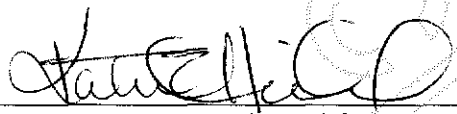
STATE OF WASHINGTON)

) ss.

County of Skagit)

On this day personally appeared before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, JOHN ELLIS, to me known to be the President of 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 she is authorized to execute the said instrument.

Witness my hand and official seal this 5th day of February, 2009.


NOTARY PUBLIC in and for the State of
Washington, residing at Mt Vernon.
My appointment expires 1-7-11.



329
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

FEB 06 2009

Amount Paid \$
Skagit Co. Treasurer
By Deputy

