

FILED FOR RECORD AT THE
REQUEST OF/RETURN TO:
Skagit State Bank
Business Banking Center
121 North Spruce Street
Burlington, Washington 98233



200902170269

Skagit County Auditor

2/17/2009 Page 1 of 3 4:19PM

WARRANTY DEED IN LIEU OF FORECLOSURE

Reference Nos.: 200609220192, 200808220009, 200609220193, 200808220010
Grantor (s): J&S PROPERTIES MANAGEMENT, LLC, Washington limited liability
company
Grantee (s): SKAGIT STATE BANK
Additional Grantor(s) on page(s):
Additional Grantee(s) on page(s):
Abbreviated Legal: Ptn E ½ of NE 1/4 , 31-34-4E, W.M.
Additional Legal on page(s): 1
Assessor's Tax Parcel No.: P29280 / 340431-1-003-0004
P29279 / 340431-1-002-0005
P125008 / 340431-1-001-0100

THE GRANTOR, J&S PROPERTIES MANAGEMENT, LLC, a Washington limited liability company, ("Grantor"), for and in consideration of Grantee's agreement not to foreclose that certain deed of trust described below conveys and warrants to SKAGIT STATE BANK ("Grantee"), the real estate legally described as follows, together with all after acquired title, situated in the County of Skagit, State of Washington.

The South 207.30 feet of the North 799.5 feet of that portion of the Northeast ¼ of the Northeast ¼ of Section 31, Township 34 North, Range 4 East, W.M., lying East of the Great Northern Railway right-of-way; EXCEPT State Highway and ditch rights-of-way.

ALSO TOGETHER WITH the South 171.5 feet of the North 971.0 feet, as measured at right angles to the North line of Section 31, of the following described tract:

That portion of the East ½ of the Northeast ¼ of Section 31, Township 34 North, Range 4 East, W.M., lying and being East of the

right-of-way of the Seattle and Montana Railroad Company, now the Great Northern Railroad Company, except any portion lying within the North 799.5 feet thereof, and EXCEPT Old Highway 99 and rights of way of ditches.

The Grantee by accepting and recording this Deed does not intend a merger of its interest under that certain deed of trust recorded under Auditor's No. 200609220192 and re-recorded under Auditor's No. 200808220009, records of Skagit County, Washington or the assignment of rents, recorded on September 22, 2006, under Auditor's No. 200609220193 and re-recorded under Auditor's No. 200808220010, records of Skagit County, Washington, with the fee title herein conveyed to take place, and it is the intention of the parties that the property above-described shall remain subject to the lien of said deed of trust and assignment of rents, which liens shall remain a first lien upon the property. All indebtedness secured by said deed of trust and assignment of rents shall remain in full force and effect.

Grantor declares that this conveyance is freely and fairly made, that this is an absolute conveyance (and not a conveyance for security purposes), and that there are no agreements, oral or written, between Grantor and Grantee with respect to the real property described herein, except for that certain unrecorded Settlement Agreement dated as of February 12, 2009, by and between Grantor and Grantee.

Dated February 12, 2009.

J&S PROPERTIES MANAGEMENT, LLC

By: [Signature]

Its: Mary M. M. M.

402
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

FEB 17 2009

Amount Paid to
Skagit Co. Treasurer
By: MF Deputy

/// (acknowledgement follows)

///

///

///



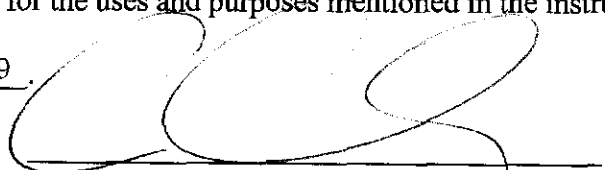
200902170269
Skagit County Auditor

2/17/2009 Page 2 of 3 4:19PM

State of Washington)
) ss
County of Skagit)

I certify that I know or have satisfactory evidence that JOHN ELLIS is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a Member of J&S PROPERTIES MANAGEMENT, LLC, a Washington limited liability company, to be the free and voluntary act for such party for the uses and purposes mentioned in the instrument.

DATED: February 12, 2009.



NOTARY PUBLIC

Printed Name:

CRAIG CAMMOCK

My appointment expires:

11-1-2010

