

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



201007080084  
Skagit County Auditor

7/8/2010 Page 1 of 8 4:03PM

### NON-MERGER WARRANTY DEED IN LIEU OF FORECLOSURE

Reference Nos.: 200611010047 (Deed of Trust)  
200611010048 (Assignment of Rents)  
Grantor (s): G. WALTER MEAGHER and SUSAN H.  
MEAGHER, husband and wife, individually  
and on behalf of the marital community;  
GWM PROPERTIES, LLC, a Washington  
limited liability company  
Grantee (s): SKAGIT STATE BANK, a state-chartered  
commercial bank  
Additional Grantor(s) on page(s):  
Additional Grantee(s) on page(s):  
Abbreviated Legal: Lot 21, Blk 1, Sound View Add. to Similk Beach  
Additional Legal on page(s): 1  
Assessor's Tax Parcel No.: P69332 / 4004-001-021-0001

THE GRANTORS, G. WALTER MEAGHER and SUSAN H. MEAGHER, husband and wife, individually and on behalf of the marital community, and GWM PROPERTIES, LLC, a Washington limited liability company, (collectively referred to as "Grantor"), for and in consideration of Grantee's agreement not to foreclose that certain Deed of Trust described below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby convey and warrant to SKAGIT STATE BANK ("Grantee"), the real estate legally described as follows, situated in the County of Skagit, State of Washington.

Lot 21, Block 1, "SOUND VIEW ADDITION TO SIMILK  
BEACH, SKAGIT CO., WASH.," as per plat recorded in Volume 2034  
4 of Plats, page 55, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

2034

JUL 08 2010

Amount Paid \$5  
Skagit Co. Treasurer  
By *mlm* Deputy

The Grantee by accepting and recording this Deed does not intend a merger of its interest under that certain Deed of Trust recorded on November 1, 2006 under Auditor's No. 200611010047, records of Skagit County, Washington or the Assignment of Rents, recorded on November 1, 2006, under Auditor's No. 200611010048, 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. This Deed shall not operate to preclude the Grantee from proceeding in any action to enforce its Deed(s) of Trust and Assignment of Rents.

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 that Grantor and Grantee have agreed to a reduction in the judgment held by Grantee against Grantor, which agreed reduction is subject to and in accordance with a settlement agreement of same date as this deed.

Dated: June 22, 2010.

GRANTORS:

GWM PROPERTIES, LLC

By: 

G. WALTER MEAGHER

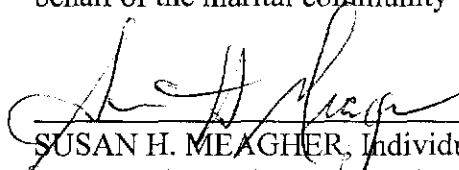
Its: Member

By: 

SUSAN H. MEAGHER

Its: Member

  
G. WALTER MEAGHER, Individually and on  
behalf of the marital community

  
SUSAN H. MEAGHER, Individually and on  
behalf of the marital community

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Skagit County Auditor

7/8/2010 Page

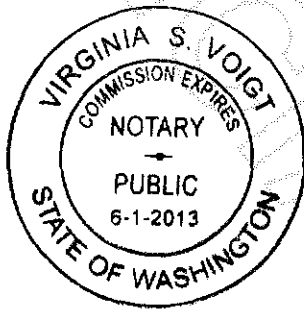
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State of Washington )  
 ) ss  
County of Skagit )

I certify that I know or have satisfactory evidence that G. Walter Meagher 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 GWM Properties, 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: June 22nd, 2010.



Virginia S. Voigt  
NOTARY PUBLIC  
Printed Name: VIRGINIA S. VOIGT  
My appointment expires: 6/1/13

State of Washington )  
 ) ss  
County of Skagit )

I certify that I know or have satisfactory evidence that Susan H. Meagher is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that she was authorized to execute the instrument and acknowledged it as a Member of GWM Properties, 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: June 22nd, 2010.



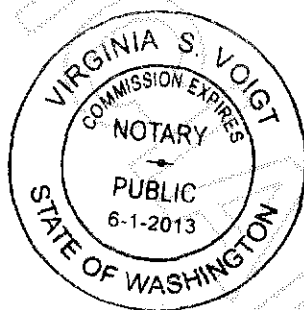
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 ) ss  
County of Skagit )

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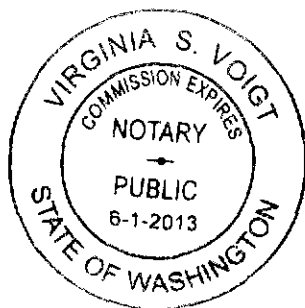


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County of Skagit )

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STATE OF WASHINGTON )

) ss.

COUNTY OF SKAGIT )

The undersigned, being first duly sworn on oath, depose and say:

1. That G. WALTER MEAGHER and SUSAN H. MEAGHER, husband and wife, individually and on behalf of the marital community, and G. WALTER MEAGHER and SUSAN H. MEAGHER, as members of GWM PROPERTIES, LLC, a Washington limited liability company, are the persons who made, executed, and delivered that certain Nonmerger Warranty Deed in Lieu of Foreclosure, as set forth above, conveying the following described property:

Lot 21, Block 1, "SOUND VIEW ADDITION TO SIMILK BEACH, SKAGIT CO., WASH.," as per plat recorded in Volume 4 of Plats, page 55, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

2. That the aforesaid deed is intended to be and is an absolute conveyance of the title to the property to the Grantee named therein, and was not and is now not intended as a mortgage, trust conveyance, or security of any kind; that it was the intention of affiants, as Grantors in the deed to convey, and by the deed the affiants did convey, to the Grantee therein all of their right, title, and interest absolutely in and to the property, that possession of the property has been surrendered to the Grantee;
3. That in the execution and delivery of the deed, affiants were not acting under any misapprehension as to the effect thereof, and acted freely and voluntarily and were not acting under coercion or duress;
4. That the consideration for the deed was the agreement by Skagit State Bank to provide a partial satisfaction of judgment for that certain judgment in which Skagit State Bank is the judgment creditor and G. WALTER MEAGHER and SUSAN H. MEAGHER, husband and wife, individually and their marital community, and GWM PROPERTIES, LLC are the judgment debtors, which partial satisfaction shall reduce the balance owed on the judgment to a principal balance of Ten Thousand and No/100's Dollars (\$10,000.00) plus interest thereon at the judgment rate from June 1, 2010. The partial satisfaction shall only be provided after satisfaction of the following conditions precedent: (i) that Skagit State Bank obtains a title insurance policy insuring that Skagit State Bank is the holder of a fee simple, unencumbered interest in the property; and (ii) a minimum of ninety (90) days have elapsed since the date of recording of the deed and the Grantor has not filed for protection under the provisions of the United States Bankruptcy Code, 11 U.S.C. et seq.;

-5-



201007080084  
Skagit County Auditor

5. That at the time of making the Nonmerger Warranty Deed in Lieu of Foreclosure, affiants believed and now believe that this represents fair consideration;
6. That at the time of making the Nonmerger Warranty Deed in Lieu of Foreclosure affiants have not filed for and do not intend to file within the next ninety (90) days for protection under the provisions of the United States Bankruptcy Code, 11 U.S.C. et seq.;
7. This affidavit is made for the protection and benefit of SKAGIT STATE BANK and any title company that may hereafter insure the title to the property;
8. That the affiants will testify, declare, depose, or certify before any competent tribunal, officer, or persons, in any case now pending or that may hereafter be instituted, to the truth of the particular facts hereinabove set forth.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Dated and signed this 22 day of June 2010, in Skagit County, Washington.

GWM PROPERTIES, LLC

By: 


G. WALTER MEAGHER

Its: Member

By: 

SUSAN H. MEAGHER

Its: Member

  
G. WALTER MEAGHER, Individually and on  
behalf of the marital community

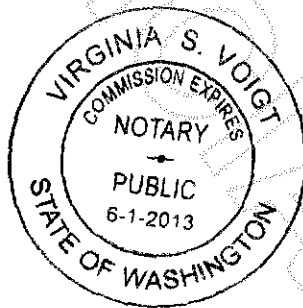
  
SUSAN H. MEAGHER, Individually and on  
behalf of the marital community



State of Washington )  
 ) ss  
County of Skagit )

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DATED: June 22nd, 2010.

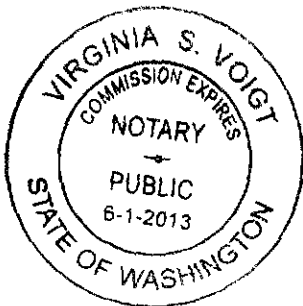


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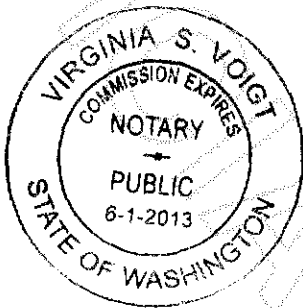
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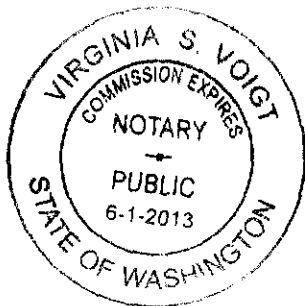


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