

AFTER RECORDING, RETURN TO:

SUMMIT BANK

PO BOX 805

BURLINGTON, WA 98233



201010140080

Skagit County Auditor

10/14/2010 Page

1 of

4 3:53PM

LAND TITLE OF SKAGIT COUNTY

137816-0

Abbrev. Legal
Tax Account #
Grantor
Grantee
Ref. No.

Unit 218, Bldg. 2, SKAGIT AIRPORT HANGAR CONDOMINIUM, PHASE 4
4803-002-218-0000 (P120107)(P129761)
Ed Watson
SUMMIT BANK

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

3142

OCT 14 2010

Amount Paid \$
By Skagit Co. Treasurer
Deposited

DEED IN LIEU OF FORECLOSURE

THE GRANTORS, Ed Watson and Susan Watson,

for and in consideration of the release of Grantors for certain liability set forth below,

convey and warrant to GRANTEE, SUMMIT BANK,

the following described real estate situated in the County of Skagit, State of Washington, together with all after acquired title of the grantors therein,

Unit 218, Building 2, SKAGIT AIRPORT HANGAR CONDOMINIUM, PHASE 4, according to the Declaration recorded September 30, 2002, under Auditor's File No. 200209300320, records of Skagit County, Washington and First Amendment thereto recorded October 25, 2002, under Auditor's File No. 200210250127, records of Skagit County, Washington and Second Amendment thereto recorded January 29, 2003, under Auditors File No. 200301290053, records of Skagit County, Washington and Third Amendment thereto recorded March, 26, 2003, under Auditor's File No. 200303260108, records of Skagit County, Washington, and Survey Map and Plans recorded under Auditor's File No. 200303260107, records of Skagit County, Washington.

The address of said property is: 15367 Crosswind Drive Unit 218 Burlington, WA 98233. Real Property tax identification number is 4803-002-218-0000 (P120107).

This deed is given as an absolute conveyance, assignment and interest of all title or interest of the grantors in the real property described herein and is not intended as a mortgage, trust conveyance or security of any kind. It is the intention of grantors to convey to grantee all their right, title and interest in the property to the grantee. This deed is executed and delivered by the Grantors in connection with the commercial security agreement executed by Grantors Ed Watson and Susan Watson, to Land Title Insurance Company as Trustee, in favor of Summit Bank, as Beneficiary, and recorded on June 25, 2009, under UCC Filing

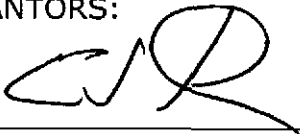
No. ~~20091063000~~⁸³ records of Skagit County, State of Washington, the beneficial interest being now held by Summit Bank

It is warranted and covenanted by the Grantors in executing this Deed in Lieu of Foreclosure and agreed by the Grantee in accepting the Deed as follows:

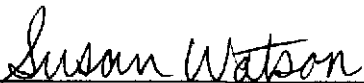
1. The consideration for the execution of this Deed in Lieu consists of the release of the Grantor(s) from any personal liability for repayment of the amount due to the Grantee under the promissory note dated June 24, 2009, outstanding as of the date hereof. Nothing shall be construed to release the Grantor(s) or any other party from any other obligations to the Grantee, including any other obligations that may also be secured by the Commercial Security Agreement described above, or to preclude or otherwise prejudice the Grantee's right to proceed with a foreclosure action against the property or any other property secured by the Commercial Security Agreement, provided that the Grantee shall not seek any deficiency judgment against the Grantor(s) in such foreclosure. The consideration set forth above is equal to the fair market value of the property and includes the fair and reasonable value of the Grantor(s) interest in the property.
2. This deed is executed voluntarily by Grantor, and not pursuant to duress or threats of any kind. Furthermore, it is executed and delivered in mutual good faith between Grantor and Grantee, and is not given or intended to hinder, delay, or defraud any creditor, or to contravene any of the bankruptcy laws of the United States or applicable laws.
3. Grantor(s) further warrant and represent that: (a) the Grantor has full power and authority to execute and deliver this Deed in Lieu; (b) this conveyance and assignment is freely and fairly made; and (c) Grantor is not rendered insolvent by this conveyance and assignment.
4. The Grantee by accepting and recording this deed does not intend a merger of its interest under that certain deed of trust referenced above with the fee title herein conveyed to take place, and it is the intention of the parties that the property described above shall remain subject to the lien of said deed of trust. Although the Grantee waives its right to pursue a personal judgment against the Grantor(s) for the debt(s) referenced in Paragraph 1, above, the Grantee retains the right to proceed with the foreclosure of the Commercial Security Agreement, against the property in the event a foreclosure is required to clear title to the property of any existing or future encumbrances junior to the commercial security agreement.

Dated: June 24, 2009

GRANTORS:

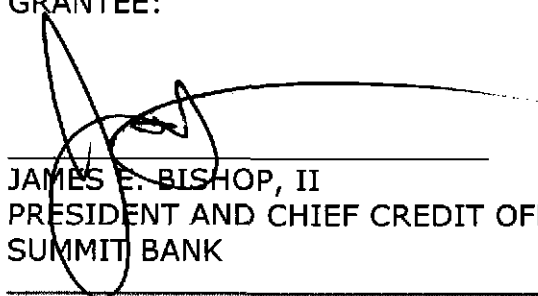


Ed Watson



Susan Watson

GRANTEE:



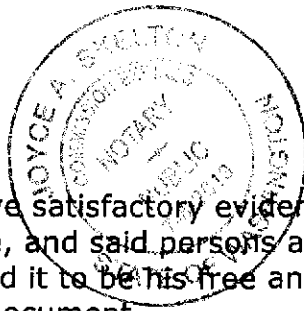
JAMES E. BISHOP, II
PRESIDENT AND CHIEF CREDIT OFFICER
SUMMIT BANK



201010140080

Skagit County Auditor

STATE OF WASHINGTON)
 : ss
COUNTY OF SKAGIT)



I certify that I know or have satisfactory evidence that Ed Watson are the persons who appeared before me, and said persons acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this document.

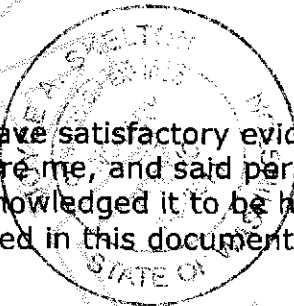
Dated: June 24, 2009

Jayce A. Skelton
Print Name: Jayce A. Skelton

NOTARY PUBLIC in and for the State
of Washington, residing at
SEDO WOOLLEY

My appointment expires: 7.8.13

STATE OF WASHINGTON)
 : ss
COUNTY OF SKAGIT)



I certify that I know or have satisfactory evidence that Susan Watson are the persons who appeared before me, and said persons acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this document.

Dated: June 24, 2009

Jayce A. Skelton
Print Name: Jayce A. Skelton

NOTARY PUBLIC in and for the State
of Washington, residing at
SEDO WOOLLEY

My appointment expires: 7.8.13

STATE OF WASHINGTON)
 : ss
COUNTY OF SKAGIT)

I certify that I know or have satisfactory evidence that JAMES E. BISHOP II is the person who appeared before me, and said person acknowledged that he signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in this document.

Dated: June , 2009

Print Name: _____

NOTARY PUBLIC in and for the State
of Washington, residing at

My appointment expires: _____

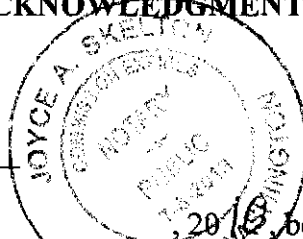


201010140080
Skagit County Auditor

CORPORATE ACKNOWLEDGMENT

STATE OF WA

COUNTY OF SKAGIT



On this 24th day of June, 2013, before me, the undersigned Notary Public, personally appeared James E. Bishop II, Chief Credit Officer of Summit Bank, and personally known to me or proved to me on the basis of satisfactory evidence to be authorized agent of the corporation that executed the Deed In Lieu of Foreclosure and acknowledged the Deed in Lieu of Foreclosure to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Deed in Lieu of Foreclosure and in fact executed the Deed in Lieu of Foreclosure on behalf of the corporation.

By Joyce A. Skelton

Residing at Sedro-Woolley

Notary Public in and for the State of WA My commission expires 7.8.13



201010140080

Skagit County Auditor