AFTER RECORDING RETURN TO:

Fairhaven Legal Associates, P.S. P.O. Box 526 Burlington, Washington 98233



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GRANTOR(S): JUDY ANDERSON and PEGGY GOODWIN

GRANTEE:

ERROL HANSON FUNDING INC.

ABBREVEATED LEGAL DESCRIPTION:

Ptn NE ¼ of NW ¼ of Sec 29. T5N, R6E, WM Ptn of W ½ of Tract 5, Plat of the Burlington Acreage Property, Vol 1, p. 49

Situate in the County of Skagit, State of Washington.

ASSESSOR'S PROPERTY TAX: 350629-0-011-0007/350629-0-006-0004/3867-000-005-0001

PARCEL NO.: P #41987/41980/62278

REFERENCE NOS. OF DOCUMENTS: 200909030063/200207100006

ASSIGNED OR RELEASED: 200207100006 Assigned to 200207160104

DEED IN LIEU OF FORECLOSURE

THE GRANTOR(S), Judy Anderson, a single woman, and Peggy Goodwin, a single woman, conveys, warrants and quitclaims to Grantee Errol Hanson Funding Inc., all interest in the following described real estate, situated in the county of Skagit, State of Washington:

See EXHIBIT A, which is attached hereto and incorporated by this reference, for the full legal description.

This deed is an absolute conveyance of title and is not intended as a mortgage, trust conveyance, or security of any kind. This deed is executed and delivered by the Grantor(s) in connection with the deed of trust executed by Grantor(s) Judy Anderson and Peggy Goodwin, to Land Title Company as Trustee, in favor of Errol Hanson Funding Inc., as Beneficiary, and recorded on 9/3/2009, under Skagit County Auditor's file No. 200909030063, and deed of trust executed by Grantor(s) under auditor file number 200207100006 to Land Title Company as Trustee in favor of

Lantana Real Estate LLC a Washington limited Liability Company as Beneficiary, which beneficial interest was as assigned to Errol Hanson Funding Inc. under assignment dated 7/16/2002 and recorded under Auditor File number 200207160104, the beneficial interest being now held by Errol Hanson Funding Inc.

The consideration therefore is the full release of all debts and obligations heretofore existing on account of that certain mortgage on said premises, recorded under Auditor's file No. 200909030063, and Auditor file No. 200207100006 records of Skagit County.

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

- 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(s) 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.
- 2. Grantor(s) further warrant and represents that: (a) the Grantor(s) have 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(s) are not rendered insolvent by this conveyance and assignment.
- 3. 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. This instrument is not intended to provide for merger of the beneficial interests with this deed in this estate. Grantee retains the right to proceed with the foreclosure of the Deed of Trust, 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 Deed of Trust.



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Skagit County A

DATED this 8 day of Novel 2010.

GRANTOR:

GRANTOR:

Peggy Goodwin

STATE OF California

COUNTY OF Riverside

On this day personally appeared before me Judy Anderson and Peggy Goodwin, to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this g day of wov. , 2010.

HWANG J. LEE

NOTARY PUBLIC for the State

of Calfornic Residing at: Cake Elsinove

My Commission Expires: 100. 18

Deed in Lieu of Foreclosure

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GRANTEE:

Errol Hanson Funding Inc.

By: My State

Errol Hanson, President

STATE OF WASHINGTON)

SS:

COUNTY OF SKAGIT

THIS IS TO CERTIFY that on this _____ day of October, 2010, before me, the undersigned, a notary public in and for the State of Washington, duly commissioned and sworn, personally appeared Errol Hanson to me known to be the Owner and President of Errol Hanson Funding Inc., the corporation that executed the within and 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 said individual was authorized to execute said instrument.

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



NOTARY PUBLIC for Washington.

My Commission Expires: 5/18/2011

Deed in Lieu of Foreclosure

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EXHIBIT A Legal Description

Parcel I 350629-0-011-0007/P41987 and 350629-0-006-0004/P41980

PARCEL "A" >

That portion of the Northwest X of the Northeast X of the Northwest % of Section 29, Township 35 North, Range 6 East, W.M., described as follows:

Beginning at the Northwest corner of that certain tract conveyed to Charlotte L. Pursche and Camille Jaquith by instrument dated April 18, 1968, recorded April 24, 1968, under Auditor's File No. 712893, said point being on the Easterly line of the County Road and 528.7 feet, more or less. North of the South line of said Northwest X of the Northeast X of the Northwest X;

thence Easterly along the North line of said Pursche-Jaquith Tract,

140 feet to the Northeast corner thereof;

thence Northerly parallel with the East line of said County Road, 113.17 feet, more or less, to the South line of the County Road, which runs along the North line of said subdivision;

thence West along the South line, 140 feet to its intersection with the Easterly line of the County Road along the West line of said subdivision:

thence Southerly along said County Road, 114.31 feet, more or less, to the point of beginning.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

That portion of the Northwest X of the Northeast X of the Northwest W of Section 29, Township 35 North, Range 6 East, W.M., described as follows:

Beginning at a point on the East line of the County Road, 328.7 feet North of the South line of said Northwest X of the Northeast X of the Northwest X;

thence East 140 feet;

thence Northerly parallel to the East line of said County Road, 200 feet:

thence West 140 feet to the East line of said County Road; thence South along the East line of said County Road to the point of beginning.

Situate in the County of Skagit, State of Washington.

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Exhibit A continued

Parcel 2 3867-000-005-0001/P62278

That part of the East 374 feet of the West % of Tract 5, "PLAT OF THE BURLINGTON ACREAGE PROPERTY", as per plat recorded in Volume 1 of Plats, page 49, records of Skagit County, Washington, that lies North of the County road (now State Highway) right of way, EXCEPT a portion thereof described as follows:

Beginning at the Northwest corner of the East 374 feet of the West % of said Tract 5; thence South parallel with the East line of said West % of Tract 5 to intersect with the North right of way line of the County road (now State Highway); thence Northeasterly along said right of way 106 feet; thence due North to the North line of said Tract 5; thence West to the point of beginning.

TOGETHER WITH the portion of an unnamed street adjoining the North boundary thereof, which upon vacation reverted to said premises by operation of law.

Situate in the County of Skagit, State of Washington.



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Skagit County Auditor