



201102030164  
Skagit County Auditor

2/3/2011 Page 1 of 23 4:22PM

After Recording Return To:

Recon Trust Co./TX2-979-01-0  
P.O. Box 619003  
Dallas, TX 75261-9003

GUARDIAN NORTHWEST TITLE CO.

A 101020

Assessor's Parcel or Account Number: 340209-1-001-0201  
Abbreviated Legal Description: P107302  
Section 9, Township 34, Range 2; Ptns. NW NE

Bene: MERS

[Include lot, block and plat or section, township and range]

Full legal description located on page 8

Trustee:  
RECONTRUST COMPANY  
Additional Grantees located on page \_\_\_\_\_

[Space Above This Line For Recording Data]

WA5660175264729  
[Case #]

00023327712702011  
[Doc ID #]

State of Washington

# DEED OF TRUST

FHA Case No.  
WA5660175264729

MIN 1000255-0000914084-7

THIS DEED OF TRUST ("Security Instrument") is made on FEBRUARY 02, 2011 . The  
Grantor is  
DAVID A DEWITTE, AN UNMARRIED MAN

MERS FHA Deed of Trust-WA  
1004M-WA (09/10)(d/i)



\* 2 3 9 9 1 \*

Page 1 of 11



\* 2 3 3 2 7 7 1 2 7 0 0 0 0 1 0 0 4 M \*

CASE #: WA5660175264729

DOC ID #: 00023327712702011

("Borrower"). The trustee is  
RECONTRUST COMPANY

MSN TO-02; 225 WEST HILLCREST DRIVE, THOUSAND OAKS, CA 91360

("Trustee"). The beneficiary is Mortgage Electronic Registration Systems, Inc. ("MERS"), (solely as nominee for Lender, as hereinafter defined, and Lender's successors and assigns). MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

SA Mortgage Services, LLC dba Response Mortgage

("Lender") is organized and existing under the laws of DELAWARE

, and has an

address of

27001 Agoura Road, Suite 200, Calabasas Hills, CA 91301

Borrower owes Lender the principal sum of

THREE HUNDRED THIRTY ONE THOUSAND THREE HUNDRED EIGHTY ONE and 00/100

Dollars (U.S. \$ 331,381.00). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on MARCH 01, 2041. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to the Trustee, in trust, with power of sale, the following described property located in SKAGIT County, Washington:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Parcel ID Number: 340209-1-001-0201

which has the address of

13087 THOMPSON RD, ANACORTES

[Street, City]

Washington 98221-9318 ("Property Address");

[Zip Code]

MERS FHA Deed of Trust-WA  
1004M-WA (09/10)



201102030164  
Skagit County Auditor

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument; but, if necessary to comply with law or custom, MERS, (as nominee for Lender and Lender's successors and assigns), has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing or canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Borrower and Lender covenant and agree as follows:

UNIFORM COVENANTS.

1. **Payment of Principal, Interest and Late Charge.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.
2. **Monthly Payment of Taxes, Insurance and Other Charges.** Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. Section 2601 *et seq.* and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.



The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. Application of Payments. All payments under paragraphs 1 and 2 shall be applied by Lender as follows:  
First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;  
Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;  
Third, to interest due under the Note;  
Fourth, to amortization of the principal of the Note; and  
Fifth, to late charges due under the Note.
4. Fire, Flood and Other Hazard Insurance. Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.

5. Occupancy, Preservation, Maintenance and Protection of the Property, Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's



control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

6. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.
7. Charges to Borrower and Protection of Lender's Rights in the Property. Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments required by paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2.

Any amounts disbursed by Lender under this paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender, shall be immediately due and payable.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower:

- (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender;
- (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or
- (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security



Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

8. Fees. Lender may collect fees and charges authorized by the Secretary.
9. Grounds for Acceleration of Debt.
  - (a) Default. Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:
    - (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
    - (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.
  - (b) Sale Without Credit Approval. Lender shall, if permitted by applicable law (including Section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:
    - (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and
    - (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.
  - (c) No Waiver. If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.
  - (d) Regulations of HUD Secretary. In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.
  - (e) Mortgage Not Insured. Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.
10. Reinstatement. Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding,



(ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.
12. **Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.
13. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.
14. **Governing Law; Severability.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.
15. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.
16. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any



Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

**NON-UNIFORM COVENANTS.** Borrower and Lender further covenant and agree as follows:

17. **Assignment of Rents.** To the extent permitted by applicable law, Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 17.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

18. **Foreclosure Procedure.** If Lender requires immediate payment in full under paragraph 9, Lender may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee and Lender shall take such action regarding notice of sale and shall give such notices to Borrower and to other persons as applicable law may require. After the time required by applicable law and after publication of the notice of sale, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the



notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of the Property for a period or periods permitted by applicable law by public announcement at the time and place fixed in the notice of sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it or to the clerk of the superior court of the county in which the sale took place.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 *et seq.*) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this paragraph 18 or applicable law.

19. **Reconveyance.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.
20. **Substitute Trustee.** In accordance with applicable law, Lender may from time to time appoint a successor trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.
21. **Use of Property.** The Property is not used principally for agricultural or farming purposes.
22. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend



201102030164  
Skagit County Auditor

2/3/2011 Page 9 of 23 4:22PM

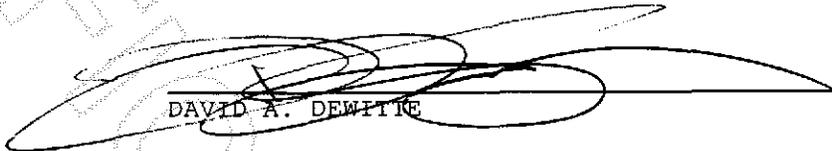
CASE #: WA5660175264729

DOC ID #: 00023327712702011

and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)].

- Condominium Rider
- Growing Equity Rider
- Planned Unit Development Rider
- Graduated Payment Rider
- Other [specify] MANUFACTURED HOME

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.


(Seal)  
 \_\_\_\_\_  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
(Seal)  
-Borrower

  
 201102030164  
 Skagit County Auditor

CASE #: WA5660175264729

DOC ID #: 00023327712702011

STATE OF WASHINGTON  
County of SKAGIT

} ss

On this day personally appeared before me: \_\_\_\_\_

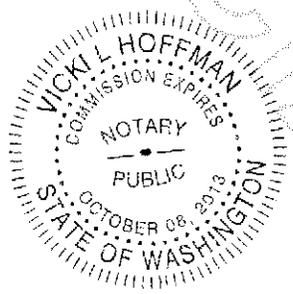
\_\_\_\_\_  
DAVID A. DEWITTE

to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that he/she/they signed the same as his/her/their free and voluntary act and deed, for the uses and purpose therein mentioned.

GIVEN under my hand and official seal this 2ND day of FEB. 2011.

Vicki L Hoffman

Notary Public in and for the State of Washington, residing at  
ANACORTES  
My Appointment Expires on 10-8-13



201102030164  
Skagit County Auditor

2/3/2011 Page 11 of 23 4:22PM

# LEGAL DESCRIPTION EXHIBIT A

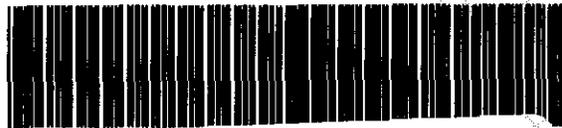
The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows: Parcel "A": Lot 2 of Skagit County Short Plat No. 94-025 as approved January 6, 1995 and recorded in Volume 11 of Short Plats, page 165 and 166, under Auditor's File No. 9501130062, records of Skagit County, Washington; being a portion of the Northwest 1/4 of the Northeast 1/4 in Section 9, Township 34 North, Range 2 East, W.M.; Parcel "B": That portion of the South 1/2 of the Northwest 1/4 of the Northeast 1/4 of Section 9, Township 34 North, Range 2 East, W.N., described as follows: Beginning at the Northeast 1/4 of said South 1/2 of the Northwest 1/4 of the Northeast 1/4; thence South 00 degrees 47'21" West along the East line of said Northwest 1/4 of the Northeast 1/4, a distance of 500.00 feet; thence North 57 degrees 29'08" West, a distance of 460.90 feet; thence North 00 degrees 02'04" East, parallel with the East line of said Northwest 1/4 of the Northeast 1/4, a distance of 250.00 feet to the North line of said South 1/2 of the Northwest 1/4 of the Northeast 1/4; thence North 89 degrees 40'46" East along said North line, a distance of 395.40 feet to the point of beginning.

Legal Description Exhibit A  
1C404-XX (08/08)(d/i)

Page 1 of 1



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201102030164  
Skagit County Auditor

# ADJUSTABLE RATE RIDER

WA5660175264729  
[Case #]

00023327712702011  
[Doc ID #]

FHA Case No.  
WA5660175264729

THIS ADJUSTABLE RATE RIDER is made this 2nd day of FEBRUARY, 2011, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed ("Security Instrument") of the same date as this Rider, given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note ("Note") of the same date as this Rider, to SA Mortgage Services, LLC dba Response Mortgage

("Lender") covering the Property described in the Security Instrument and located at:  
13087 THOMPSON RD  
ANACORTES, WA 98221-9318

[Property Address]

**THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.**

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**INTEREST RATE AND MONTHLY PAYMENT CHANGES**

**(A) Change Date**

The interest rate may change on the first day of APRIL, 2016, and on that day every 12th month thereafter. "Change Date" means each date on which the interest rate could change.

**(B) The Index**

Beginning with the first Change Date, the interest rate will be based on an Index. "Index" means the weekly average yield on United States Treasury Securities adjusted to a constant maturity of one year, as made available

FHA ARM Rider  
1E279-XX (07/10)(d/i)

Page 1 of 3



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201102030164  
Skagit County Auditor

2/3/2011 Page 13 of 23 4:22PM

CASE #: WA5660175264729

DOC ID #: 00023327712702011

by the Federal Reserve Board. "Current Index" means the most recent Index figure available 30 days before the Change Date. If the Index (as defined above) is no longer available, Lender will use as a new Index any index prescribed by the Secretary. As used in this Rider, "Secretary" means the Secretary of Housing and Urban Development or his or her designee." Lender will give Borrower notice of the new Index.

**(C) Calculation of Interest Rate Changes**

Before each Change Date, Lender will calculate a new interest rate by adding a margin of ONE & THREE-QUARTERS percentage point(s) ( 1.750 %) to the Current Index and rounding the sum to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in paragraph (D) of this Rider, this rounded amount will be the new interest rate until the next Change Date.

**(D) Limits on Interest Rate Changes**

The existing interest rate will never increase or decrease by more than ONE percentage point(s) ( 1.000 %) on any single Change Date. The interest rate will never be more than FIVE percentage point(s) ( 5 %) higher than the initial interest rate stated in Paragraph 2 of this Note or lower than the margin. If the initial interest rate stated in Paragraph 2 is lower than the margin, once the interest rate adjusts to a rate higher than the margin, the interest rate will never again be lower than the margin.

**(E) Calculation of Payment Change**

If the interest rate changes on a Change Date, Lender will calculate the amount of monthly payment of principal and interest which would be necessary to repay the unpaid principal balance in full at the Maturity Date at the new interest rate through substantially equal payments. In making such calculation, Lender will use the unpaid principal balance which would be owed on the Change Date if there had been no default in payment on the Note, reduced by the amount of any prepayments to principal. The result of this calculation will be the amount of the new monthly payment of principal and interest.

**(F) Notice of Changes**

Lender will give notice to Borrower of any change in the interest rate and monthly payment amount. The notice must be given at least 25 days before the new monthly payment amount is due, and must set forth (i) the date of the notice, (ii) the Change Date, (iii) the old interest rate, (iv) the new interest rate, (v) the new monthly payment amount, (vi) the Current Index and the date it was published, (vii) the method of calculating the change in monthly payment amount, and (viii) any other information which may be required by law from time to time.

**(G) Effective Date of Changes**

A new interest rate calculated in accordance with paragraphs (C) and (D) of this Rider will become effective on the Change Date. Borrower shall make a payment in the new monthly amount beginning on the first payment date which occurs at least 25 days after Lender has given Borrower the notice of changes required by paragraph (F) of this Rider. Borrower shall have no obligation to pay any increase in the monthly payment amount calculated in accordance with paragraph (E) of this Rider for any payment date occurring less than 25 days after Lender has given the required notice. If the monthly payment amount calculated in accordance with paragraph (E) of this Rider decreased, but Lender failed to give timely notice of the decrease and Borrower made any monthly payment amounts exceeding the payment amount which should have been stated in a timely notice, then Borrower has the option to either (i) demand the return to Borrower of any excess payment, with interest thereon at the Note rate (a rate equal to the interest rate which should have been stated in a timely notice), or (ii) request that any excess payment, with interest thereon at the Note rate, be applied as payment of principal.



CASE #: WA5660175264729

DOC ID #: 00023327712702011

Lender's obligation to return any excess payment with interest on demand is not assignable even if the Note is otherwise assigned before the demand for return is made.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

  
\_\_\_\_\_  
DAVID A. DEWITTE (Seal)  
- Borrower

\_\_\_\_\_  
(Seal)  
- Borrower

\_\_\_\_\_  
(Seal)  
- Borrower

\_\_\_\_\_  
(Seal)  
- Borrower

FHA ARM Rider  
1E279-XX (07/10)

Page 3 of 3



201102030164  
Skagit County Auditor

Return To:

Recon Trust Co./TX2-979-01-0  
P.O. Box 619003  
Dallas, TX 75261-9003

PARCEL ID #:  
340209-1-001-0201

Prepared By:

## AFFIXATION AFFIDAVIT MANUFACTURED HOME

WA5660175264729

[Case #]

00023327712701011

[Doc ID #]

THE STATE OF Washington  
COUNTY OF Skagit

Section: \_\_\_\_\_  
Block: \_\_\_\_\_

Lot: \_\_\_\_\_  
Unit: \_\_\_\_\_

Manufactured Home Affixation Affidavit  
1E227-XX (07/10)(d/i)

Page 1 of 4



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\* 2 3 3 2 7 7 1 2 7 0 0 0 0 1 E 2 2 7 \*



201102030164  
Skagit County Auditor

2/3/2011 Page 18 of 23 4:22PM

CASE #: WA5660175264729

DOC ID #: 00023327712712010

BEFORE ME, the undersigned authority, on this day personally appeared David A. DEWITTE

("Borrower"), known to me to be the person(s) whose name(s) is/are subscribed below, and who, being by me first duly sworn, did each on his or her oath state as follows:

1. The manufactured home located on the following described property located 13087 THOMPSON RD, ANACORTES, WA 98221-9318 in SKAGIT County, ("Property Address") is permanently affixed to a foundation, is made a part of the land and will assume the characteristics of site-built housing.

2. The manufactured home is described as follows:

Used	Marlette	3050
New/Used	Manufacturer's Name	Manufacturer's Name and Model No.
H008814	A/B/C	63x61
Manufacturer's Serial No.	Length/Width	Attach Legal Description

- The wheels, axles, towbar or hitch were removed when the manufactured home was placed and anchored on its permanent foundation, and the manufactured home was constructed in accordance with applicable state and local building codes and manufacturer's specifications in a manner sufficient to validate any applicable manufacturer's warranty.
- All foundations, both perimeter and piers, for the manufactured home have footings that are located below the frost line and the foundation system for the manufactured home was designed by an engineer to meet the soil conditions of the Property Address.
- If piers are used for the manufactured home, they have been provided.
- If state law so requires, anchors for the manufactured home have been provided.
- The foundation system of the manufactured home meets applicable state installation requirements and all permits required by governmental authorities have been obtained.
- The manufactured home is permanently connected to appropriate residential utilities such as electricity, water, sewer and natural gas.
- The financing transaction is intended to create a first lien in favor of Lender. No other lien or financing affects the manufactured home, other than those disclosed in writing to Lender.
- The manufactured home was built in compliance with the federal Manufactured Home Construction and Safety Standards Act.
- The undersigned acknowledge his or her intent that the manufactured home will be an immovable fixture, a permanent improvement to the land and a part of the real property securing the Security Instrument.
- The manufactured home will be assessed and taxed by the applicable taxing jurisdiction as real estate.

Manufactured Home Affixation Affidavit

1E227-XX (07/10)

Page 2 of 4



201102030164

Skagit County Auditor

CASE #: WA5660175264729

DOC ID #: 00023327712702011

13. The borrower is the owner of the land and any conveyance or financing of the manufactured home and the land shall be a single real estate transaction under applicable state law.

Borrower(s) certifies that Borrower(s) is in receipt of (a) the manufacturer's recommended carpet maintenance program (if required by Lender), (b) any manufacturer's warranties that are still in effect and cover the heating/cooling systems, water heater, range, etc., and (c) the formaldehyde health notice. This affidavit is being executed pursuant to applicable state law.

Witness

Witness

*[Handwritten signatures]*

DAVID A. DEWITTE  
711 ST. MARY'S PLACE, ANACORTES, WA 98221

Borrower  
Date

Borrower  
Date

Borrower  
Date

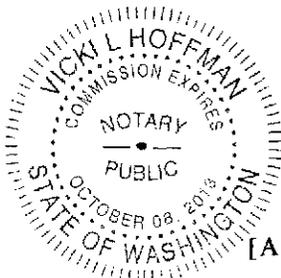
Borrower  
Date

State of WA

County of SKAGIT

Subscribed and sworn to (or affirmed) before me on this 2ND day of FEB 2011,  
by DAVID A. DEWITTE personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

*[Handwritten signature: Vicki L Hoffman]*  
Notary Public



[Acknowledgment on Following Page]

Manufactured Home Affixation Affidavit  
1E227-XX (07/10)

Page 3 of 4



201102030164

Skagit County Auditor

CASE #: WA5660175264729

DOC ID #: 00023327712712010

**LENDER ACKNOWLEDGMENT**

**Lender's Statement of Intent:**

The undersigned Lender intends that the manufactured home be an immovable fixture and a permanent improvement to the land.

LENDER:

By: Dan Bajalis 8-3111  
Its: Fullfillment Team Leader

State of California §  
State of California §

County of San Diego, San Diego (city or town), §

This instrument was acknowledged before me on 1/25/11 [date],

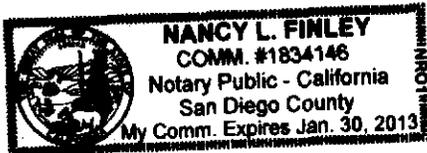
by Daniel Bajalis [name of agent],  
Fullfillment Team Leader [title of agent] of

Bank of America [name of entity acknowledging],

a NC, Nat'l Banking Assoc [state and type of entity], on behalf of Bank of

America, N.A. [name of entity acknowledging].

(Seal)



Nancy L. Finley  
Signature of Notarial Officer

Notary Public  
Title of Notarial Officer

My commission expires: 1/30/2013



201102030164  
Skagit County Auditor

# MANUFACTURED HOME LIMITED POWER OF ATTORNEY

WA5660175264729

[Case #]

00023327712712010

[Doc ID #]

The undersigned borrower(s), whether one or more, each referred to below as "I" or "me," residing at  
711 St. Mary's Place Anacortes

Washington Street Address City  
98221 Skagit ("Present Address").  
State Zip County

Buyer/Owner of the following manufactured home:

Used 1993 Marlette  
New/Used Year Manufacturer's Name  
3050 H008814A/B/C 63x61  
Model Name/Model No. Manufacturer's Serial No. Length/Width

permanently affixed to the real property located at

13087 THOMPSON RD  
ANACORTES, WA 98221-9318  
[Property Address]

and as more particularly described on Exhibit A attached hereto (the "Real Property"), does hereby irrevocably  
make, constitute, appoint and authorize with full powers of substitution,

SA Mortgage Services, LLC dba Response Mortgage

Manufactured Home Limited Power of Attorney

1E226-XX (10/08)(d/i)

Page 1 of 4



\* 2 3 9 9 1 \*



\* 2 3 3 2 7 7 1 2 7 0 0 0 0 1 E 2 2 6 \*



201102030164

Skagit County Auditor

2/3/2011 Page 20 of 23 4:22PM

("Lender"), its successors, assigns or designees as my agent and attorney-in-fact, in my name, place and stead in any way which I could do, if I were personally present, with full power of substitution and delegation, (1) to complete, execute and deliver, in my name or Lender's name, any and all forms, certificates, assignments, designations or other documentation as may be necessary or proper to carry out the terms and provisions of the Security Instrument executed by the undersigned in favor of Lender, (2) to complete, execute and deliver, in my name or in Lender's name, any and all forms, certificates, assignments, designations or other documentation as may be necessary or proper to make application for and obtain the Certificate of Title for the manufactured home designated above, and to have Lender, or its designee, designated as lienholder on the Certificate of Title for the manufactured home, (3) to complete, execute and deliver in my name or Lender's name, any and all forms, certificates, assignments, designations or other documentation as may be necessary or proper to have the manufactured home treated as real estate for any and all purposes under state law, including but not limited to the surrender of any Certificate of Title, any election to treat the manufactured home as real estate for tax purposes or to meet any other requirements in order for the loan/financing secured by the manufactured home and real estate described in Exhibit A to be eligible for sale to the Federal National Mortgage Association ("Fannie Mae"), the Federal Home Loan Mortgage Association ("Freddie Mac") or any other secondary market purchaser, (4) to receive, complete, execute or endorse, and deliver in my name or Lender's name any and all claim forms, agreements, assignments, releases, checks, drafts or other instruments and vehicles for the payment of money, relating to any insurance covering the manufactured home, the indebtedness secured by the manufactured home or the Real Property, and (5) to complete, sign and file, without my signature, such financing and continuation statements, amendments, and supplements thereto, mortgages, deeds of trust and other documents which may from time to time be deemed necessary to perfect, preserve and protect Lender's security interest in the Real Property, the manufactured home, and any other property sold with it. I acknowledge that at the time this Power of Attorney and my Security Instrument and any of the forms, certificates, assignments, designations or other documentation are prepared the serial number for the manufactured housing unit may not be available. The manufactured housing unit may be a factory order in the process of being constructed. Immediately, upon receipt of the serial number, I understand and agree that the above items may be completed and corrected to properly disclose all the applicable home identifications, including the serial number. I understand that I will be provided with a copy of any corrected document.



201102030164  
Skagit County Auditor

CASE #: WA5660175264729

DOC ID #: 00023327712702011

To induce any third party to act hereunder, I hereby agree that any third party receiving a duly executed copy or facsimile of this instrument may act hereunder, and I for myself and for my heirs, executors, legal representatives and assigns, hereby agree to indemnify and hold harmless any such third party from and against any and all claims that may arise against such third party by reason of such third party having relied on the provisions of this instrument. I have given this Power of Attorney in connection with a loan/financing to be given by Lender and to induce Lender to make the financing available. It is coupled with an interest in the transaction and is irrevocable. This Power of Attorney shall not be affected by my subsequent incapacity, disability, or incompetence. I do further grant unto said Attorney-in-Fact full authority and power to do and perform any and all acts necessary or incident to the execution of the powers herein expressly granted, as fully as I might or could do if personally present.

WITNESS my hand and seal this 2ND day of FEB. 2011,



Borrower

Witness

DAVID A. DEWITTE

Printed Name

Witness

Borrower

Witness

Printed Name

Witness



CASE #: WA5660175264729

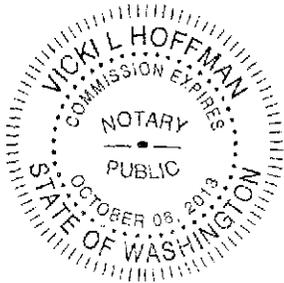
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STATE OF WA )  
 )ss.  
COUNTY OF SKAGIT )

I, VICKI L. HOFFMAN, a Notary Public of the aforesaid County and State, do hereby certify that DAVID A. DEWITTE personally appeared before me this day and acknowledge the due execution of the foregoing instrument.

WITNESS my hand and official stamp or seal, this 2ND day of FEB., 2011.

Vicki L Hoffman  
(Official Seal)



NOTARY PUBLIC, State of WA

My Commission Expires: 10-8-13



201102030164  
Skagit County Auditor