

WHEN RECORDED RETURN TO:

Douglas Wheeler  
Lane Powell PC  
1420 5<sup>th</sup> Avenue, Suite 4100  
Seattle, WA 98101-2338



201103250079

Skagit County Auditor

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SKAGIT COUNTY WASHINGTON  
REAL ESTATE EXCISE TAX

857  
MAR 25 2011

GUARDIAN NORTHWEST TITLE CO.

100557

Amount Paid \$0  
Skagit Co. Treasurer  
By *nam* Deputy

**DEED IN LIEU OF FORECLOSURE**  
**WITHOUT MERGER**

Abbrev. Legal:

Lts. 6-10, Blk. 55, First Add. to Town of Sedro in Skagit Co. WA, VI.  
3, Pg. 29

(complete legal on page A-1)

Assessor's Tax Parcel No.: 4150-055-010 0000


THE GRANTOR, **G. PAUL WARE** and **A. SUZANNE WARE**, husband and wife ("Grantor"), for and in consideration and in lieu of foreclosure of that certain deed of Trust recorded under Skagit County Auditor's File No. 200309050103, hereby conveys and warrants to **WASHINGTON FEDERAL SAVINGS & LOAN ASSOCIATION**, a United States Corporation ("Grantee"), the real estate legally described on Exhibit A attached hereto, situated in the County of Whatcom, State of Washington, subject to the Permitted Exceptions set forth on Exhibit B attached hereto (the "**Property**").

The Grantee. By accepting and recording this Deed in Lieu of Foreclosure Without Merger ("**Deed**"), does not intend a merger of its interest under that certain deed of trust 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, which lien shall remain a first lien upon the property.

Nothing in this Deed shall be, or be deemed to be, a satisfaction of the indebtedness secured by that certain deed of trust referenced above or of the lien thereof upon the Property or shall preclude the holder of the indebtedness secured by that certain deed of trust from foreclosing the deed of trust or from enforcing any rights under and by virtue of it.

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 Property, except for the Deed In Lieu of Foreclosure Agreement dated as of March 9, 2011, by and between Grantor and Grantee.

DATED: March 9, 2011

  
G. Paul Ware

DATED: 3/8/11

Bellingham

My appointment expires:

2/10/14



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EXHIBIT A  
TO  
DEED IN LIEU OF FORECLOSURE WITHOUT MERGER

LEGAL DESCRIPTION

**SKAGIT COUNTY PROPERTY:**

LOTS 6 THROUGH 10, INCLUSIVE, BLOCK 55, FIRST ADDITION TO THE TOWN OF SEDRO IN SKAGIT COUNTY, WASHINGTON, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 3 OF PLATS, PAGE 29, RECORDS OF SKAGIT COUNTY, WASHINGTON;

TOGETHER WITH ALL OF THE VACATED ALLEY THAT LIES SOUTHERLY OF, ADJACENT TO, AND CONTIGUOUS WITH THE ABOVE DESCRIBED PROPERTY;

EXCEPT THE WEST 14.5 FEET AND THE EAST 7 FEET OF ALL OF THE ABOVE;

TOGETHER WITH EASEMENTS AS PROVIDED FOR IN RECIPROCAL EASEMENTS AND MAINTENANCE AGREEMENT RECORDED UNDER RECORDING NO. 200811240102, RECORDS OF SKAGIT COUNTY, WASHINGTON.

(ALSO KNOWN AS A PORTION OF TRACT 3 OF SURVEY RECORDED UNDER AUDITOR'S FILE NO. 200811240103).

ALL SITUATE IN THE CITY OF SEDRO-WOOLLEY, COUNTY OF SKAGIT, STATE OF WASHINGTON.

{end of Exhibit A}



EXHIBIT B  
TO  
DEED IN LIEU OF FORECLOSURE WITHOUT MERGER

APPROVED EXCEPTIONS

1. REAL ESTATE TAXES FOR YEAR 2011, A LIEN NOT YET DUE AND PAYABLE.
2. DEED OF TRUST AND THE TERMS AND CONDITIONS THEREOF:

GRANTOR: JAMESON AVENUE, L.L.C., A WASHINGTON  
LIMITED LIABILITY COMPANY  
TRUSTEE: WESTWARD FINANCIAL SERVICES  
BENEFICIARY: HORIZON BANK  
AMOUNT: \$2,500,000.00  
RECORDED: SEPTEMBER 5, 2003  
RECORDING NO.: 200309050103  
AFFECTS: LOTS 6-9

DOCUMENTS DECLARING MODIFICATIONS THEREOF RECORDED  
JULY 7, 2004, JANUARY 6, 2009, AND MAY 26, 2009 AS RECORDING NOS.  
200407070070, 200901060008, AND 200905250285, RESPECTIVELY, OF OFFICIAL  
RECORDS.

THE DEED OF TRUST/MORTGAGE WAS PARTIALLY RECONVEYED AS TO  
OTHER PROPERTY BY INSTRUMENT RECORDED UNDER RECORDING NO.  
200905250288.

3. RESERVATION CONTAINED IN ORDINANCE NO. 537 OF THE CITY OF SEDRO  
WOOLEY, (VACATING THE ALLEY RUNNING EAST AND WEST THROUGH  
BLOCK 55) OF THE RIGHT TO EXERCISE AND GRANT EASEMENTS IN  
RESPECT TO THE VACATED ALLEY FOR THE CONSTRUCTION, REPAIR,  
MAINTENANCE AND USE OF PUBLIC UTILITIES OR SERVICES.
4. EASEMENT, INCLUDING TERMS AND PROVISIONS CONTAINED THEREIN:  
RECORDED: FEBRUARY 20, 1987  
RECORDING NO.: 8702200054  
IN FAVOR OF: PUGET SOUND ENERGY, INC., FORMERLY PUGET  
SOUND POWER & LIGHT CO.  
FOR: TRANSMISSION LINES AND FACILITIES  
AFFECTS: AS DESCRIBED THEREIN
5. CONDITIONS, NOTES, EASEMENTS, AND PROVISIONS CONTAINED AND/OR  
DELINEATED ON THE FACE OF THE SURVEY RECORDED UNDER  
RECORDING NO. 8809090029, IN SKAGIT COUNTY, WASHINGTON.

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6. TERMS, COVENANTS, CONDITIONS AND RESTRICTIONS AS CONTAINED IN  
RECORDED LOT LINE ADJUSTMENT (BOUNDARY LINE REVISION):  
RECORDED: NOVEMBER 24, 2008  
RECORDING NO.: 200811240103
7. THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED  
"RECIPROCAL EASEMENTS AND MAINTENANCE AGREEMENT" RECORDED  
NOVEMBER 24, 2008 AS RECORDING NO. 200811240102 OF OFFICIAL  
RECORDS.

{END OF EXHIBIT "B"}



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