

This Document Prepared By:  
**MELISSA BARR**  
**U.S. BANK, NA**  
**4801 FREDERICA STREET**  
**OWENSBORO, KENTUCKY 42301**



201110280076

Skagit County Auditor

10/28/2011 Page 1 of 7 1:16PM

When recorded mail to: #6671000  
First American Title  
Loss Mitigation Title Services 12106.1  
P.O. Box 27670  
Santa Ana, CA 92799  
RE: YOUNG - PC REC SVC

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340429-0-290-0002  
29-34-4

FHA Case No. 703 561-9279989  
Loan No. 7884466969  
MERS MIN 1000212 7884466969 2

### SUBORDINATE DEED OF TRUST

THIS SUBORDINATE DEED OF TRUST ("Security Instrument") is made on  
**APRIL 1, 2011**. The grantor is  
**SETH A YOUNG**

("Borrower"), whose address is **1628 S 6TH ST**  
**MOUNT VERNON, WASHINGTON 98273**

The trustee is **C&L Service Corporation**

("Trustee"), whose address is **2488 East 81st Street Suite 700**  
**Tulsa, OK 74137**

The beneficiary is the Secretary of Housing and Urban Development, whose address is Attention: Single Family Notes Branch, 451 Seventh Street SW, Washington, DC 20410 ("Lender"). Borrower owes Lender the principal sum of  
**FIFTY THREE THOUSAND SEVEN HUNDRED EIGHTEEN AND 95/100**

Dollars (U.S. \$ **53,718.95** ). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for the full debt, if not paid earlier, due and payable on **APRIL 01, 2041**

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, 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 Trustee, in trust, with power of sale, the following described property located in the County of **SKAGIT**, State of Washington:

7884466969

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

Tax Parcel No. 34042902900002

which has the address of 1628 S 6TH ST

MOUNT VERNON, Washington 98273 (herein "Property Address");  
[City] [State] [Zip Code]

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 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 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.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal.** Borrower shall pay when due the principal of the debt evidenced by the Note.
2. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time of payment 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.
3. **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. 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 term of this Security Instrument or the Note without that Borrower's consent.

CoreLogic Document Services  
CoreLogic, Inc.  
CLDS# WASSI-2 Rev. 11-28-08

Washington Subordinate Deed of Trust

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**4. 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: Department of Housing and Urban Development, Attention: Single Family Notes Branch, 451 Seventh Street SW, Washington, DC 20410 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.

**5. 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.

**6. Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

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

**7. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument. The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property at public auction at a date not less than 120 days in the future. The notice shall further inform Borrower of the right to reinstate after acceleration, the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale, and any other matters required to be included in the notice by Applicable Law. If the default is not cured on or before the date specified in the notice, Lender at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and/or any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 7, 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.



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If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 7 of the Subordinate Note, the Secretary may invoke the non-judicial 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 by the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to Lender under this paragraph or applicable law.

**8. 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 to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs and the Trustee's fee for preparing the reconveyance.

**9. 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.

**10. Use of Property.** The Property is not used principally for agricultural purposes.

**11. Attorneys' Fees.** Lender shall be entitled to recover its reasonable attorneys' fees and costs in any action or proceeding to construe or enforce any term of this Security Instrument. The term "attorneys' fees," whenever used in this Security Instrument, shall include without limitation attorneys' fees incurred by Lender in any bankruptcy proceeding or an appeal.

**12. Bankruptcy Discharge.** If Borrower, subsequent to **AUGUST 31, 2009**, receives a discharge in a Chapter 7 bankruptcy, and there is no valid reaffirmation agreement of the underlying debt, Lender will not attempt to re-establish any personal liability for the underlying debt.

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**



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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument.

Mortgage Electronic Registration Systems, Inc.  
by U.S. Bank, NA, (authorized agent, Nominee)

*Rachel Fulks*  
Name: RACHEL FULKS

(Seal)

- Lender

Its: ASSISTANT SECRETARY OF MERS

*Seth A Young*  
SETH A YOUNG

-Borrower

-Borrower

-Borrower

-Borrower

-Borrower

-Borrower



7884466969

[Space Below This Line For Acknowledgments]

**BORROWER ACKNOWLEDGMENT**

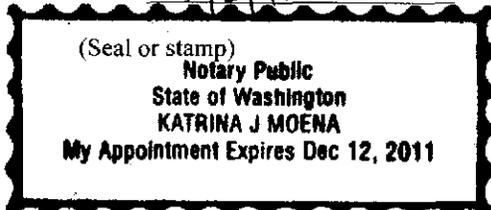
State of Washington

County of Skagit

I certify that I know or have satisfactory evidence that May 2, 2011  
**SETH A YOUNG**

is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument and acknowledged it to be (his/her) free and voluntary act for the users and purposes mentioned in the instrument.

Dated 5/2/11



Katrina Moena  
(Signature)

Notary  
Title

My appointment expires 12/12/11

**LENDER ACKNOWLEDGMENT**

State of Kentucky

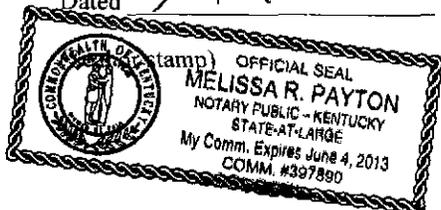
County of Daviess

I certify that I know or have satisfactory evidence that **RACHEL FULKS**  
is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the  
**ASSISTANT SECRETARY OF MERS** of

MERS

to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated 5-7-11



Melissa R Payton  
(Signature)

notary public  
Title

My appointment expires 6-4-13

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CLDS# WASSI-6 Rev. 04-11-11



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**LEGAL DESCRIPTION (EXHIBT A)**

**THAT PORTION OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 29, TOWNSHIP 34 NORTH, RANGE 4 EAST OF THE WILLAMETTE MERIDIAN, DESCRIBED AS FOLLOWS:**

**BEGINNING AT A POINT ON THE EAST LINE OF SIXTH STREET PRODUCED SOUTHERLY FROM WILLIAM C. MOORE'S ADDITION TO MOUNT VERNON, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 5 OF PLATS, PAGE 28, RECORDS OF SKAGIT COUNTY, WASHINGTON, 250 FEET SOUTH OF THE NORTH LINE OF SAID NORTH HALF OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER;**

**THENCE SOUTH 60 FEET;**

**THENCE EAST 100 FEET;**

**THENCE NORTH 60 FEET;**

**THENCE WEST 100 FEET TO THE POINT OF BEGINNING.**

**SITUATED IN SKAGIT COUNTY, WASHINGTON.**

**FOR INFORMATION ONLY:**

**SECTION 29, TOWNSHIP 34, RANGE 4; PTN. SW NW**



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