



201210240104

Skagit County Auditor

**WHEN RECORDED RETURN TO:**

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Dennis D. Steinman  
18319 Eagle Point Lane  
Mount Vernon, WA 98274  
**LAND TITLE OF SKAGIT COUNTY**  
143976-08

**DOCUMENT TITLE(S):**  
**ASSIGNMENT OF RENTS AND LEASES**

**REFERENCE NUMBER(S) OF DOCUMENTS ASSIGNED OR RELEASED:**

**GRANTOR:**  
**TAPLEY INVESTMENTS, LLC, a Washington limited liability company**

**GRANTEES:**  
**DENNIS D. STEINMAN**

**ABBREVIATED LEGAL DESCRIPTION:**

**Lot 4 SP #19-77; Tr 4-A, SP #20-77; Lot 4-B, Survey #856448; Ptn SW 1/4 NE 1/4 & Ptn GL9, 7-34-4EW.M**

**TAX PARCEL NUMBER(S):**  
**340407-1-022-0209, P24084**

## **ASSIGNMENT OF RENTS AND LEASES**

(Washington)

**TAPLEY INVESTMENTS, LLC** (hereinafter referred to collectively as "Assignor"), in consideration of One Dollar (\$1.00) paid by **DENNIS D. STEINMAN** (hereinafter referred to as "Assignee") and for other valuable consideration hereby absolutely, unconditionally, and immediately conveys, transfers, and assigns unto Assignee, his successors, and assigns all the rights, interest, and privileges which Assignor, as Lessor, has and may have in the rentals or leases (including all rental arrangements including month to month tenancies or lease agreements, written or oral, all of which will be hereafter referred to as the "Leases") and including all proceeds payable under any policy of insurance covering loss of rents resulting from untenability caused by destruction or damage to the premises, now existing or hereafter made and affecting the real property in **Skagit County, Washington**, particularly described as:

That certain tract of land listed and described on **Exhibit A** attached hereto and incorporated herein by this reference.

or any part thereof, including, but not limited to, the rentals or Leases listed on **Exhibit B** attached hereto, if any, and any and all rentals or Leases now or hereafter placed on the subject premises, as said rentals or Leases may have been, or may from time to time hereafter be, modified, extended, and renewed, with all deposits, rents, income, and profits due and becoming due therefrom. Assignor will, on request of Assignee, execute assignments of any future rentals or Leases affecting any part of said premises.

The proceeds collected under this absolute Assignment shall apply to expenses of managing the property and in reduction of the indebtedness then owing on a certain Note and Deed of Trust of even date herewith (and all extensions or modifications thereof) made by Assignor to Assignee in the sum of **Two Million Dollars (\$2,000,000)**, with interest, covering real property situated in **Skagit County, Washington**, and described on **Exhibit A**. The acceptance of this absolute assignment and the collection of rents or the payments under the Leases hereby assigned shall not constitute a waiver of any rights of Assignee under the terms of said Note and Deed of Trust.

Assignee hereby grants to Assignor a license to collect, so long as no default occurs under the terms of said Note and Deed of Trust, said deposits, rents, income, and profits from the aforementioned Leases and to retain, use, and enjoy the same; provided, however, that even before default occurs no rent shall be collected or accepted more than two (2) months in advance without

### **ASSIGNMENT OF RENTS AND LEASES**



the prior written consent of the Assignee. Anything to the contrary notwithstanding, Assignor hereby assigns to Assignee any award made hereafter to it in any court procedure involving any of the lessees in any bankruptcy, insolvency, or reorganization proceedings in any state or federal court; and any and all payments made by lessees in lieu of rent. Assignor hereby appoints Assignee as its irrevocable attorney in fact to appear in any action and/or to collect any such award or payment; provided, that so long as no default occurs under the terms of the Note and Deed of Trust, Assignor may collect and retain such award or payment the same as rent.

In the event of default in the performance of any of the terms and conditions of said Note and/or Deed of Trust, the Assignee, at its option, may, from the date of such default and with or without taking possession of said premises, collect all rents accruing therefrom and from said Leases and if Assignee elects to enter and take possession of the mortgaged premises, then Assignee shall have the right to manage and operate the same, let or re-let said premises (or any part thereof), terminate and modify Leases, evict tenants, bring or defend any suits in connection with the possession of said premises in its own name or in Assignor's name, make such repairs as Assignee deems appropriate, and perform such other acts in connections with the management and operation of said premises as the Assignee, in its sole discretion, may deem proper.

Nothing contained herein or any collection of rents and profits by Assignee or a receiver shall be construed to make Assignee a "mortgagee-in-possession" of the Property so long as Assignee has not itself entered into actual possession of the Property.

The receipt by Assignee of any deposits, rents, issues, or profits pursuant to this instrument after the institution of the foreclosure proceedings under said Deed of Trust shall not cure such default nor affect such proceedings or any sale pursuant thereto.

Assignee shall not be obligated to perform or discharge any obligation or duty to be performed or discharged by Assignor under any of said Leases, and Assignor hereby agrees to indemnify Assignee for, and to save it harmless from, any and all liability arising from any of said Leases or from this Assignment, and this Assignment shall not place responsibility for the control, care, management, or repair of said premises upon Assignee, or make Assignee responsible or liable for any negligence in the management, operation, upkeep, repair, or control of said premises resulting in loss or injury or death to any tenant, licensee, employer, or stranger.

Assignor covenants and represents that Assignor has full right and title to assign said Leases and the deposits, rents, income, and profits due or to become due thereunder, that no other assignment of any other interest therein has been made, that there are no existing defaults under the provisions thereof, and that Assignor will not hereafter unreasonably cancel, surrender, or terminate any of said Leases.

Assignor hereby authorizes Assignee to give notice in writing of this Assignment to any tenant under any of said Leases, if Assignor is in default under the Note, Deed of Trust, or this

#### **ASSIGNMENT OF RENTS AND LEASES**



**Assignment.**

Violation of any of the covenants, representations, and provisions contained herein by Assignor shall be deemed a default under the terms of said Note and/or Deed of Trust.

Default by Assignor under any of the terms of the Leases assigned herein shall be deemed a default under the terms of said Note and/or Deed of Trust. Any expenditures made by the Assignee in curing such a default on Assignor's behalf, with interest thereon at **Twelve Percent (12%)** per annum, shall become part of the debt secured by these presents.

The full performance of either (a) the Note and any extensions or modifications thereto or (b) the Deed of Trust and the duly recorded release of the property described herein shall render this Assignment void.

The deposits, rents, issues, and profits collected by Assignee hereunder shall be applied, less costs and expenses of operation of said real property and collection of the deposits, rents, issues, and profits therefrom, including reasonable attorney's fees incurred by Assignee, upon any indebtedness outstanding and secured by said mortgage, including but not limited to, the payment of delinquent real property taxes and fire insurance, and in such order as Assignee may determine.

This Assignment applies to and binds the parties hereto and their respective heirs, administrators, executors, successors, and assigns, as well as any subsequent owner of the real estate described herein and any assignee of the mortgage referred to herein.

Assignor agrees to provide Assignee with copies of all Leases, on request of Assignee, with Assignee to pay the copying charges.

Notwithstanding any provision herein to the contrary, this Assignment of Rents and Leases is intended to be an absolute assignment from Assignor to Assignee and not merely the passing of a security interest. The rents and Leases are hereby assigned absolutely by Assignor to Assignee contingent only upon the occurrence of a default.

This Assignment shall be governed by the laws of the State of Washington.

18<sup>th</sup> IN WITNESS WHEREOF, the Assignor has signed and sealed this instrument on this day of October, 2012.

ASSIGNOR:

**TAPLEY INVESTMENTS, LLC**

By

**ASSIGNMENT OF RENTS AND LEASES**

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Skagit County Auditor

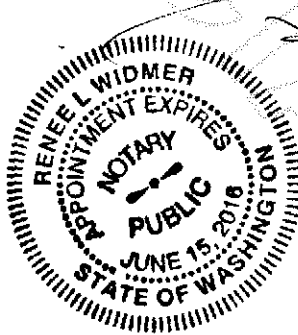
**DONALD A. TAPLEY, Manager/Member**

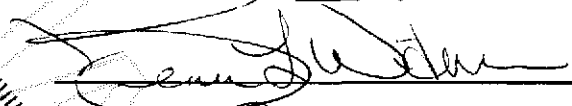
**DONALD O. TAPLEY, Manager/Member**

STATE OF <sup>Washington</sup> ARIZONA <sub>res</sub> }  
COUNTY OF Jefferson } SS.

I certify that I know or have satisfactory evidence that **DONALD A. TAPLEY** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a **Manager/Member of Tapley Investments, LLC**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 21<sup>st</sup> day of October, 2012.



  
Printed Name Renee L. Widmer  
NOTARY PUBLIC in and for the State of Arizona <sub>Washington</sub>  
My Commission Expires June 15, 2016

**ASSIGNMENT OF RENTS AND LEASES**



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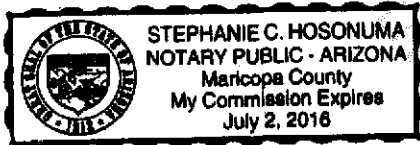
STATE OF ARIZONA

COUNTY OF Maricopa }

ss.

I certify that I know or have satisfactory evidence that **DONALD O. TAPLEY** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a **Manager/Member of Tapley Investments, LLC**, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 18<sup>th</sup> day of October, 2012.



Printed Name Stephanie C. Hosonuma

NOTARY PUBLIC in and for the State of Arizona

My Commission Expires July 2, 2016

**ASSIGNMENT OF RENTS AND LEASES**

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**EXHIBIT B**  
**(List of Rentals and/or Leases)**

**Real Estate Lease dated October 23, 2012**

**Lessor: Tapley Investments, LLC, a Washington Limited Liability Company**

**Lessee: Skagit River Ford, Inc.**



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