



Skagit County Auditor

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When Recorded, Return To:
John Tibbles
P O Box 2000
Anacortes WA 98221

AMENDED DEED OF TRUST

201301240008

Grantor: Denise Hoverson, fka Denise Tibbles, as her separate estate
Grantee: John Tibbles, as his separate estate

Legal Description: SEE EXHIBIT "A" ATTACHED HERETO. Parcels "A", "B", and "C" are fully described in Exhibit "A" attached hereto and are portions of the NE 1/4 of the SE 1/4 of Section 17, Township 34 North, Range 4 East, W.M.

Subject to Matters of Record.

NOTE: Parcels "A", "B", "C" are ownership of Somerset Place LLC under the ownership of John R. Tibbles and Denise L. Hoverson (formerly known as Denise L. Tibbles). Pursuant to the Decree of Dissolution entered in Skagit County Cause No. 11-3-00561-1 these parcels were awarded to Denise L. Hoverson (formerly known as Denise L. Tibbles). Hence, this deed is intended to document the outcome of said Decree in the records of Skagit County, and to secure performance of the terms of the Promissory Note referenced below.

Assessor's Property Tax

Parcel or Account No: P25600, P52631, P25601, P25664

Reference Nos of Documents

Assigned or Released: N/A

The DEED OF TRUST filed January 24, 2013 is hereby amended *nunc pro tunc* this 22nd day of May, 2013. This deed is between DENISE L. TIBBLES, as she was known at the time of entry of the parties' decree of dissolution, now known as Denise L. Hoverson, as her separate estate, grantor, whose address is 3111 Cherokee Lane, Mount Vernon, WA 98273, LAND TITLE INSURANCE COMPANY, a corporation, trustee, whose address is P.O. Box 1225, Mount Vernon, WA 98273, and John Tibbles, as his separate estate, beneficiary, whose address is P O Box 2000, Anacortes WA 98221. The original DEED OF TRUST remains in full force and effect, but is supplemented by this AMENDED DEED OF TRUST. Grantor hereby bargains, sells and conveys to Trustee in Trust, with power of sale, the above described real property in Skagit County, Washington which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of grantor herein contained, and payment of the sum of **FOUR HUNDRED THOUSAND (\$400,000.00) DOLLARS**, with interest thereon at the rate of 6% per annum beginning February 1, 2012 on the unpaid balance, in accordance with the terms of a Promissory Note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure or improvement being built or about to be built thereon; to restore promptly any building, structure or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the property.

2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sales follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; (3) the surplus, if any, shall be distributed to the persons entitled thereto.
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
7. In the event of the death, incapacity, disability or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Grantor, Trustee or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.


Denise L. Hoverson, fka Denise L. Tibbles

STATE OF WASHINGTON)

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COUNTY OF SKAGIT

) ss.

On this 22nd day of March, 2013, personally appeared before me DENISE L. HOVERSON (formerly known as Denise L. Tibbles), to me known and the individual described in and who executed the foregoing instrument and acknowledged that he signed the same as James L. Tibbles, voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal hereto affixed the date and year above written.



Heather Q. Hoover
Notary Public in and for the State of Washington.
My commission expires: 6/5/13

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

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EXHIBIT "A"

PARCEL A:

That portion of the Northeast Quarter of the Southeast Quarter of Section 17, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point on the South line of the county road 767.80 feet West and 30.00 feet South of the Northeast corner of said subdivision, said point being the Northwest corner of a tract conveyed to James V. Whited, et ux by deed dated May 2, 1962, recorded May 3, 1962, in Volume 323 of Deeds, page 117, under Auditor's File No. 621113, records of Skagit County, Washington; thence West a distance of 138.90 feet; thence South to the Northeast corner of Tract A, CORREDIG ADDITION, according to the plat thereof recorded in Volume 7 of Plats, page 14, records of Skagit County, Washington; thence South 89 degrees 38'45" East along the North line of said Tract A extended East, to a point 102.00 feet East of the Northwest corner of said Tract A; thence continue in an Easterly direction in a straight line a distance of 99.00 feet, more or less, to the Southwest corner of the aforementioned Whited tract; thence North along the West line of said Whited tract to the point of beginning;

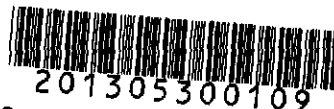
EXCEPT the North 10.00 feet thereof conveyed to the City of Mount Vernon by deed recorded under Auditor's File No. 843205, records of Skagit County, Washington;

ALSO EXCEPTING that portion conveyed to the State of Washington on August 30, 1991, under Auditor's File No. 9108300069, records of Skagit County, Washington.

PARCEL B:

That portion of CORREDIG ADDITION, according to the plat thereof recorded in Volume 7 of Plats, page 14, records of Skagit County, Washington, and of the Northeast Quarter of the Southeast Quarter of Section 17, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at the Northeast corner of Tract A of CORREDIG ADDITION, according to the plat thereof recorded in Volume 7 of Plats, page 14, records of Skagit County, Washington; thence South 89 degrees 38'45" East along the North line of said Tract A extended East to a point 102.00 feet East of the Northwest corner of said Tract A, said point being the true point of beginning; thence South 00 degrees 12'39" East, a distance of 150.00 feet; thence North 89 degrees 38'45" West, a distance of 102.00 feet to a point on the East line of 19th Street; thence South along the East line of said 19th Street to a point 210.00 feet South of the Northwest corner of said Tract A; thence East along a line that is parallel with and 210.00 feet South of the North line of Tract A and the projection thereof, a distance of 102.00 feet; thence South 00 degrees 12'30" East, a distance of 107.75 feet, more or less to the North line of Tract B of said CORREDIG ADDITION; thence East a distance of 199.00 feet, more or less, to the Southeast corner of a tract conveyed to Joseph P. Souza, et ux, by deed dated May 7, 1962, recorded May 7, 1962, in Volume 323 of Deeds, page 184, under Auditor's File No. 621248, records of Skagit County, Washington; thence North parallel with the East line of said Souza tract a distance of 317.00 feet, more or less, to the Southeast corner of a tract conveyed to James V. Whited, et ux, by deed dated May 2, 1962, recorded May 3, 1962, in Volume 323 of Deeds, page 117, under Auditor's File No. 621113, records of Skagit County, Washington; thence Westerly along the South line of said Whited tract a distance of 100.00 feet, more or less, to the Southwest corner of said tract; thence Westerly in a straight line a distance of 99.00 feet, more or less, to the true point of beginning.



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PARCEL C:

That portion of the Northeast Quarter of the Southeast Quarter of Section 17, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 906.70 feet West of the Northeast corner of said Northeast Quarter of the Southeast Quarter; thence West 95.00 feet; thence South 229.25 feet; thence East 95.00 feet; thence North 229.25 feet to the point of beginning;

EXCEPT State Highway along the North line thereof;

AND EXCEPT the North 10.00 feet and the West 32.69 feet of the above described premises as conveyed to the City of Mount Vernon by instrument recorded December 7, 1979, under Auditor's File No. 7912070008, records of Skagit County, Washington;

AND ALSO EXCEPT that portion conveyed to the State of Washington on August 30, 1991, under Auditor's File No. 9108300069, records of Skagit County, Washington.



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