



201306180054

Skagit County Auditor

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8 12:04PM

**When Recorded Mail To:**

First American Title  
Loss Mitigation Title Services-LMTS  
P.O. Box 27670  
Santa Ana, CA 92799  
Attn: Alejandro Velazquez

FAT Doc. No.: 8012036

County: SKAGIT

**Document Title(s)**

SUBORDINATE DEED OF TRUST

**Reference Number(s) of related documents:**

200601100005

Additional Reference #'s on page 2

**Grantor(s)** (Last, First, and Middle Initial)

CORNETT, SUSAN F

Additional Grantors on page 2

**Grantee(s)** (Last, First, and Middle Initial)

SECRETARY OF HOUSING AND URBAN DEVELOPMENT

**Trustee(s)**

THE QUALITY LOAN SERVICE CORPORATION OF WASHINGTON

Additional Grantees on page 2

**Legal Description** (abbreviated form: i.e. lot, block, plat or section, township, range, quarter/quarter)

LOT 13, BLOCK 10, REPLAT OF THE JUNCTION ADDITION TO SEDRO, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 3 OF PLATS, PAGE 48, RECORDS OF SKAGIT COUNTY, WASHINGTON

Complete legal on page 7

**Assessor's Property Tax Parcel/Account Number**

41660100130006

Additional parcel #'s on page 2

THE AUDITOR/RECORDER WILL RELY ON THE INFORMATION PROVIDED ON THIS FORM. THE RESPONSIBILITY FOR THE ACCURACY OF THE INDEXING INFORMATION IS THAT OF THE DOCUMENT PREPARER.

When recorded mail to: #8012036

First American Title  
Loss Mitigation Title Services 1348.1  
P.O. Box 27670  
Santa Ana, CA 92799  
RE: CORNETT - PC REC SVC

Document Prepared by:

Justin Hayes

Midland Mortgage - A Division of MidFirst Bank  
999 N.W. Grand Boulevard, Suite 100  
Oklahoma City, OK 73118-6116  
1-800-552-3000



FHA Case Number: 561-8214794703

### SUBORDINATE DEED OF TRUST

THIS SUBORDINATE DEED OF TRUST ("Security Instrument") is made on **February 26, 2013**. The grantor is **SUSAN F CORNETT, a single person** ("Borrower"). The trustee is the Quality Loan Service Corporation of Washington, whose address is 19735 10th Avenue NE, Suite N-200, Poulsbo, WA 98370 ("Trustee"). The beneficiary is the **Secretary of Housing and Urban Development**, which is organized and existing under the laws of the United States of America, and whose address is **451 Seventh Street, SW, Washington, DC 20410** ("Lender"). Borrower owes Lender the principal sum of **two-thousand-seven-hundred-seventy-six dollars and seventy-three cents (US \$2,776.73)**. 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 **3/1/2043**. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums advanced to protect the security of this Security Instrument; and (c) the performance of the Borrower's covenants and agreements under this

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Borrower Initial Lines

JFC

\* Please add the appropriate number of initial lines for each signatory over 4



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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 SKAGIT County, Washington:

See Exhibit "A" attached hereto and made a part hereof.

Tax ID # 41660100130006

which has the address of: 716 REED STREET SEDRO WOOLLEY, WA 98284 ("Property Address");

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 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.

**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 of 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.**

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Borrower Initial Lines

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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.

**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, Attn: 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 the Security Instrument and the Note are declared to be severable.

**6. Borrower's Copy.**

Borrower shall be given one conformed copy of the Note 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 (but not prior to acceleration under Section 3 unless Applicable Law provides otherwise). 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

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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 any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 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 any 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 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; (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 the paragraph 7 of the Subordinate Note, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 USC 3571 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 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

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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.

**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 or farming 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 on appeal.

**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.**

Borrower Initial Lines

AFC

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

BORROWER

Susan F. Cornett  
SUSAN F CORNETT

2/26/2013  
Date

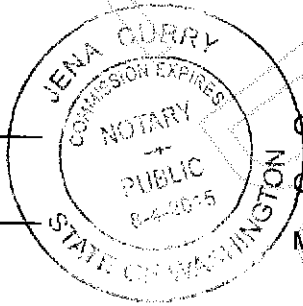
Acknowledgement

STATE OF Washington )  
COUNTY OF ~~SKAGIT~~ Whatcom ) SS:

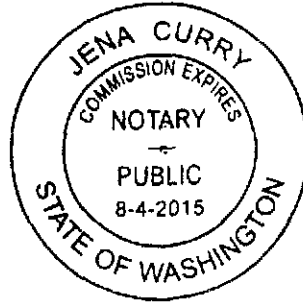
On the 26 day of Feb., 2013, before me, the undersigned, a notary public in and for said state, personally appeared **SUSAN F CORNETT**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

In witness whereof, I hereunto set my hand and official seal.

Jena Curry  
Notary Public  
Jena Curry  
Printed name of notary



County of Residence: Whatcom  
Commission Number: 74822  
My Commission Expires: 8-4-15



**Exhibit "A"**

LOT 13, BLOCK 10, REPLAT OF THE JUNCTION ADDITION TO SEDRO, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 3 OF PLATS, PAGE 48, RECORDS OF SKAGIT COUNTY, WASHINGTON.

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