

After recording return document to:  
CARMICHAEL CLARK, P.S.  
P.O. BOX 5226  
BELLINGHAM, WA 98227

  
**201812210070**  
12/21/2018 03:55 PM Pages: 1 of 5 Fees: \$103.00  
Skagit County Auditor

REFERENCE NUMBER OF RELATED DOCUMENT: **201705010215**  
GRANTOR: **Tveter and Son LLC, a Washington limited liability company**  
GRANTEE: **KKAR Enterprises, L.L.C., a Washington limited liability company**  
ABBREVIATED LEGAL DESCRIPTION: **Lots 12 & 13, Orchards PUD**  
ADDITIONAL LEGAL DESCRIPTION ON PAGE(S) 2 OF DOCUMENT.  
ASSESSOR'S TAX PARCEL NUMBER: **P123995 and P123996**

#### **NON-MERGER ASSIGNMENT OF INTANGIBLE PERSONAL PROPERTY**

THIS NON-MERGER ASSIGNMENT OF INTANGIBLE PERSONAL PROPERTY (this "Assignment") is made as of December 21, 2018, by TVETER AND SON LLC, a Washington limited liability company, whose address is 1320 Riverside Drive, Suite A. Mount Vernon, Washington 98273 ("Tveter"), and KKAR Enterprises, L.L.C., a Washington limited liability company, whose address is 22715 Knapp Road, Mount Vernon, Washington 98273 ("Lender").

#### **RECITALS**

A. Tveter became indebted to Lender under a Promissory Note and subsequent Modification of Note in the principal amount of One Million Two Hundred Thirty-four Thousand Dollars (\$1,234,000.00).

B. In connection therewith, Tveter further executed and delivered to Lender a Deed of Trust (the "DoT/Collateral Assignment") which was recorded on May 1, 2017, under Auditor's file no. 201705010215 under which Grantor assigned and pledged all plans, specifications, contracts, agreements and purchase orders pertaining or incidental to the design or construction of any improvements on the Property, Grantor's rights under any payment, performance, or other bond in connection with construction of improvements on the Property, and all construction materials, supplies, and equipment delivered to the Property or intended to be used in connection with the construction of improvements on the Property wherever actually located, and all contracts and agreements pertaining to or affecting the Property including management, operating and franchise agreements and licenses, as additional collateral for Tveter's Note secured by the Deed of Trust.

C. Concurrently herewith Tveter is transferring to Lender pursuant to a Non-Merger Statutory Warranty Deed in Lieu of Foreclosure ("Deed in Lieu") certain real property (the "Property") as more particularly described as follows:

Lots 12 and 13, "THE ORCHARDS P.U.D.," as per plat recorded January 19, 2006, under Auditor's File No. 200601190126, records of Skagit County, Washington.

Situate in the City of Anacortes, County of Skagit, State of Washington.

D. Lender is not willing to sign a Deed in Lieu Agreement or accept the Deed in Lieu from Tvester unless Tvester assigns all of its right, title and interest in any intangible personal property relating to the Property as described in the DOT/Collateral Assignment.

NOW, THEREFORE, to induce Lender to agree to the Deed in Lieu, Tvester agrees as follows:

1. **ABSOLUTE ASSIGNMENT OF INTANGIBLE PERSONAL PROPERTY.**

1.1 Absolute Assignment of Intangible Personal Property. In consideration Lender's undertakings pursuant to the Deed in Lieu Agreement and other good and valuable consideration, Tvester hereby absolutely and presently assigns and transfers to the Lender, its successors and assigns, all of Tvester's right, title, interest and privilege in and to the following:

1.1.1 Tvester's interest in any and all intangible personal property (the "Personal Property") relating to the Property, including without limitation all plans, specifications, contracts, agreements and purchase orders pertaining or incidental to the design or construction of any improvements on the Property, Tvester's rights under any payment, performance, or other bond in connection with construction of improvements on the Property, and all construction materials, supplies, and equipment delivered to the Property or intended to be used in connection with the construction of improvements on the Property wherever actually located, and all contracts and agreements pertaining to or affecting the Property including management, operating and franchise agreements and licenses. Lender agrees to assume all obligations in connection with the Personal Property arising or first becoming due and payable after the date hereof; provided, however, that Tvester shall remain liable for all obligations in connection with the Personal Property, arising or first becoming due and payable on or before the date hereof

1.2 Absolute Assignment. Tvester intends that the Personal Property be absolutely irrevocably and unconditionally assigned and that they no longer be, property of Tvester or property of the estate of Tvester, as defined in 11 U.S.C. §541.

1.3 Indemnity. Tvester hereby agrees to defend, indemnify, reimburse and hold Lender harmless of and from any and all losses that it might incur by reason of or arising from any claims against the Personal Property, arising or first becoming due on or before the date hereof.

2. **REPRESENTATIONS AND WARRANTIES.**

2.1 Representations and Warranties of Tvester. Tvester represents and warrants as follows:

- 2.1.1 That Tveter is the fee simple owner of the Personal Property and no other party has any interest in the Personal Property, including without limitation any lien or other such interest.
- 2.1.2 That the Personal Property is not subject to any litigation, defense, appeal, claim, setoff or counterclaim or other similar claim whatsoever nor has Tveter received any threat or notice of any such claim.

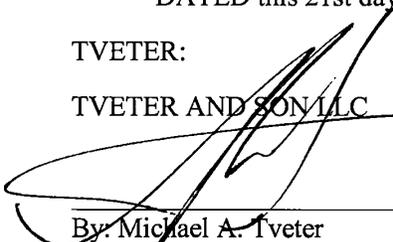
3. GENERAL PROVISIONS.

- 3.1 Modification. No modification, extension, discharge, termination or waiver of any provision of this Assignment will be effective unless it is given in writing and signed by the party against whom enforcement is sought, and will be effective only in the specific instance for which it is given.
- 3.2 Binding Effect. This Assignment will be binding upon the heirs, executors, administrators, successors and assigns of Tveter, and will inure to the benefit of Lender and its successors and assigns.
- 3.3 Assignment by Lender. Tveter acknowledges and agrees that Lender may assign all or any portion of its rights and/or obligations under this Assignment to another Person(s), and that such Person(s) will be entitled to exercise all or any portion of Lender's rights hereunder.
- 3.4 Non-Merger. The Personal Property conveyed by this Assignment shall in no way result in a merger of the lien of that certain Deed of Trust recorded on May 1, 2017, under Skagit County Recording No. 201705010215, and as modified by a Notice of Additional Advance recorded on January 25, 2018, under Auditor's File No. 201801250123. Such lien shall remain separate and distinct, notwithstanding the execution, delivery and recordation of this Assignment.
- 3.5 Governing Law. This Assignment shall be exclusively governed in accordance with the laws of the State of Washington. The parties hereto consent to the exclusive jurisdiction of the courts situated in Skagit County, Washington if any dispute should arise hereunder.

DATED this 21st day of December, 2018.

TVETER:

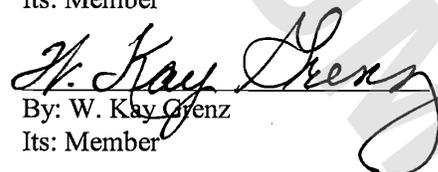
TVETER AND SON LLC

  
 By: Michael A. Tveter  
 Its: Manager/Member

LENDER:

KKAR ENTERPRISES, L.L.C.

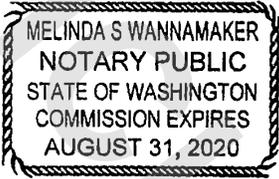
  
 By: James H. Grenz  
 Its: Member

  
 By: W. Kay Grenz  
 Its: Member

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

I certify that I know or have satisfactory evidence that MICHAEL A. TVETER, 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 the MANAGER/MEMBER of TVETER AND SON LLC, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: December 21, 2018.

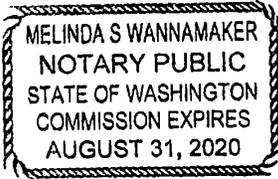


*[Handwritten Signature]*  
\_\_\_\_\_  
NOTARY PUBLIC in and for the  
State of Washington.  
My Commission expires 8-31-20.

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF SKAGIT )

I certify that I know or have satisfactory evidence that JAMES H. GRENZ 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 Member of KKAR ENTERPRISES, L.L.C. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: December 21, 2018.



*[Handwritten Signature]*  
\_\_\_\_\_  
NOTARY PUBLIC in and for the  
State of Washington.  
My Commission expires 8-31-20.

