

Return to:

First American Title Co.
P.O. Box 1667
Mount Vernon, WA
98273



200007120075

Kathy Hill, Skagit County Auditor
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COVERSHEET

FIRST AMERICAN TITLE CO.
53017

Order of Sale of Fidalgo Bay Resort Free and Clear of Liens

From: United State Bankruptcy Court Case No. 96-08325

First Party: Richard V. Stockwell and Barbara V. Stockwell, husband and wife.

Second Party: Skagit State Bank

Third Party: Skagit Title the full name of which is Skagit County Title Company, a Washington Corporation doing business as First American Title Company of Skagit County

Abbreviated Legal: Portion GL 6 of Sec.31, Twp. 35 North, R. 2 East;
Portion GL 1 of Sec. 32, Twp 35 North, R. 2 East;
Portion of Tr. 7 of Plate 14 Ana. Tidelands in Sec.
29, Twp. 35 North, R. 2 East;
Portion of Tr. 18 of Plate 12 Ana. Tidelands in
Sec. 32, Twp. 35 North R. 2 East.

Tax Parcel #s: P33271, P33440, P33439, P33026, P33027

FILED
Western District of Washington
at Seattle

JUN 30 2000

U.S. Bankruptcy Court

Honorable Samuel J. Steiner
Chapter 11

Date: June 30, 2000

Time: 9:30 a.m.

Place: Seattle, Washington

Response Date: June 26, 2000

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

In re:

RICHARD V. STOCKWELL and
BARBARA V. STOCKWELL, husband and
wife, d/b/a Fidalgo Bay Resort,

Debtors.

Case No. 96-08325

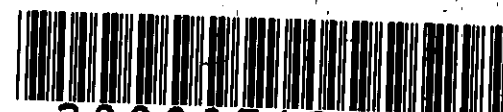
ORDER OF SALE OF FIDALGO BAY
RESORT FREE AND CLEAR OF LIENS

THIS MATTER came before the Court for a hearing on June 2, 2000 in accordance with the prior orders entered on December 9, 1999, February 16, 2000, March 28, 2000, and April 10, 2000 regarding the sale by public auction of the Fidalgo Bay Resort. The Debtors, Richard and Barbara Stockwell, had given the required notices of the public auction. The Debtors' attorney, Glenn R. Nelson of Oles Morrison Rinker & Baker LLP, reported to the Court that the Debtors had received only one credit bid from Skagit State Bank, a secured creditor. No other bidders appeared at the scheduled time for the auction sale to make an oral bid.

Subsequent to the auction date and before the entry of this final Order approving the sale, Skagit Title agreed to purchase Skagit State Bank's first-position secured interest in the Fidalgo Bay Resort and to assume Skagit State Bank's interest in all collateral securing that

Order Of Sale of Fidalgo Bay Resort
Free and Clear of Liens - 1

6/30/00-P-GRN ORDER Sale 078250001



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1 indebtedness. Skagit Title is in the process of securing funding for that purchase. Upon
2 verification by the escrow agent to Skagit State Bank that the purchase funds have been
3 deposited into escrow prior to July 7, 2000, the parties agree that title to the Fidalgo Bay Resort
4 will vest in Skagit Title effectively retroactively to the date of this Order.
5

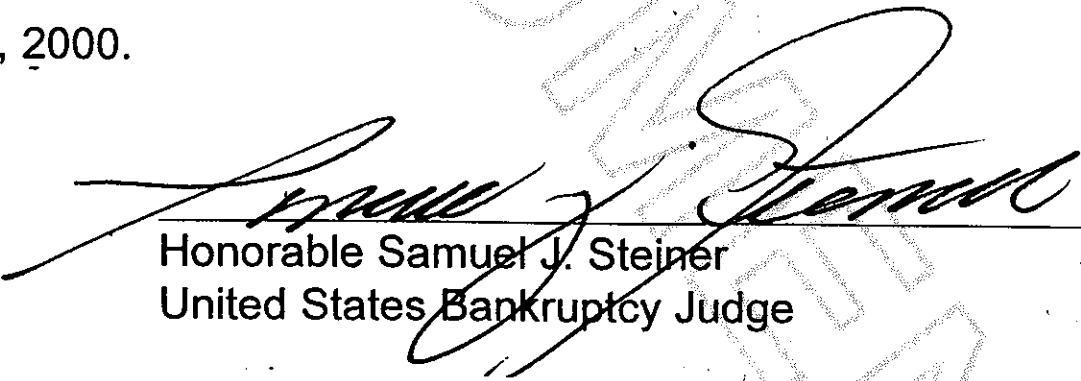
6 The Court being fully advised in the premises, it is

7 ORDERED that the Fidalgo Bay Resort, including the real property which is legally
8 described in the attached Exhibit A and all related improvements, fixtures, equipment, inventory,
9 and supplies (the "Resort Property") is hereby sold to Skagit State Bank in "as is" condition with
10 no warranties, express or implied, for the Bank's credit bid of \$3,536,893.17. It is further

11 ORDERED that, pursuant to 11 USC Section 363, title to the Resort Property is hereby
12 vested in Skagit State Bank free and clear of all liens, security interests, and other claims of the
13 Debtors' creditors. Nothing in this Order alters, releases, or affects in any way any right or claim
14 of First American Title Company of Skagit County against Skagit State Bank relating to Title
15 Policy No. CW-1025933. It is further

16 ORDERED that, upon verification by the escrow agent that Skagit Title has deposited into
17 escrow funds equal to Skagit State Bank's first-position secured indebtedness plus interest, fees,
18 and costs through the date of deposit prior to July 7, 2000, title to the Fidalgo Bay Resort will vest
19 in First American Title Company of Skagit County free and clear of all liens, security interests,
20 and other claims retroactive to the date of this Order.

21 DATED this 30 day of June, 2000.

22
23 
24 Honorable Samuel J. Steiner
25 United States Bankruptcy Judge



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Order Of Sale of Fidalgo Bay Resort
Free and Clear of Liens - 2

6/30/00-P-GRN ORDER Sale 078250001

701 FIFTH AVENUE, SUITE 3300
SEATTLE, WA 98104-7082
206-623-3427

1
2 Presented by:

3 OLES, MORRISON RINKER & BAKER LLP

4
5 By Glenn R. Nelson
6 Glenn R. Nelson, WSBA 5758
7 Attorneys for Debtors

8 Approved for Entry; Notice of Presentation
9 Waived:

10 Karen L. Herrin (by G R N R M)
11 Karen L. Herrin, WSBA 8845
12 Attorney for Skagit State Bank

13 FOSTER PEPPER & SHEFELMAN PLLC

14 By Brian D. Buckley (by G R N R M)
15 Brian D. Buckley, WSBA 26423
16 Attorneys for First American Title Insurance
17 of Skagit County

18
19 THIS IS TO CERTIFY that the fore-
20 going is a true and correct copy of
21 an instrument, filed in our office.

22 Dated this 10 day of June,
23 2000.

24 **BANKRUPTCY COURT**

25 By Sharon Atkins
A Designated Employee



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Order Of Sale of Fidalgo Bay Resort
Free and Clear of Liens - 3

6/30/00-P-GRN ORDER Sale 078250001

OLES MORRISON RINKER & BAKER LLP

701 FIFTH AVENUE, SUITE 3300
SEATTLE, WA 98104-7082
206-623-3427

EXHIBIT A

The land referred to herein is situated in the County of SKAGIT, State of Washington, and is described as follows:

PARCEL "A":

Those portions of Government Lot 6, Section 31, Township 35 North, Range 2 East, W.M., and Government Lot 1, Section 32, Township 35 North, Range 2 East, W.M., described as follows:

Beginning at a point on the North line of the Burlington Northern Railroad right-of-way, which is 75 feet West of the right-of-way change (from 100 feet to 75 feet); at Station 325 + 85; thence South along the Easterly line of that certain tract of land conveyed to Olympic V Associates, etal, by Deed recorded under Auditor's File No. 8011200029, records of Skagit County, Washington, to the South line of said Railroad right-of-way and the true point of beginning; thence Easterly along the South boundary of the Burlington Northern right-of-way, crossing the Section line common to Sections 31 and 32, continuing Easterly along the Burlington Northern right-of-way in Lot 1, Section 32, to the Government Meander Line; thence South along the Meander Line to the North boundary of Fidalgo Bay Road as it now exists; thence Westerly along the North boundary of Fidalgo Bay Road, crossing Weaverling Road, and continuing to a point that is a distance of 525 feet from the West boundary of Weaverling Road (being also on the East line of the Olympic V Associates tract as set forth herein above); thence North along the East line of said Olympic V Associates tract to the true point of beginning, less County Roads, ALSO EXCEPT any portion thereof lying Easterly of the Weaverling Road.

PARCEL "A-1":

That portion of Government Lot 6 of Section 31, Township 35 North, Range 2 East, lying Southeasterly of the Southeasterly line of the Weaverling Road and lying Northeasterly of the Northeasterly line of Fidalgo Bay Road.

PARCEL "B":

That portion of Government Lot 1, Section 32, Township 35 North, Range 2 East, W.M., described as follows:



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Beginning at the section corner common to sections 29, 30, 31 and 32, Township 35 North, Range 2 East, W.M., situated in Skagit County, State of Washington; thence Easterly along the Government Meander Line a distance of 172.68 feet, which is the true point of beginning; thence Easterly along said Government Meander Line, 415 feet, more or less, to the Northwest corner of a tract owned by Richard Stockwell; thence Southerly along the West boundary of said Tract, (which is 125 feet West and parallel to the "Old Fence Line" as established in Skagit County Superior Court Cause No. 23670), to the North line of the Burlington Northern right-of-way; thence Westerly along said right-of-way to the intersection of the Section Line common to Section 31 and 32, and the North boundary of the Burlington Northern right-of-way; thence North to the true point of beginning, EXCEPT the County Road.

TOGETHER WITH those portions of Tideland Tract 7, Plat 14, Section 29, Township 35 North, Range 2 East, W.M., and Tideland Tract 18, Plat 12, Section 32, Township 35 North, Range 2 East, W.M., described as follows:

Beginning at the common corner of Sections 29, 30, 31 and 32, Township 35 North, Range 2 East, W.M.; thence Easterly along the High Tide Line a distance of 172.68 feet to the true point of beginning; thence Northerly, crossing Tract 18 and continuing in Tract 7, parallel to the "Old Fence Line", if produced to the Inner Harbor Line and being also along the Easterly line of that certain tract conveyed to Olympic V Associates, etal, by Deed recorded under Auditor's File No. 8011200029; thence Easterly along the boundary of the Inner Harbor Line in Tract 7, to a point which is 125 feet West and parallel to the "Old Fence Line" (as established in Skagit County Superior Court Cause No. 23670), if extended; thence Southerly across Tract 7 and 18, to the Government Meander Line (Government Lot 1); thence West, 415 feet, more or less, to the true point of beginning.

PARCEL "C":

That portion of Government Lot 1, Section 32, Township 35 North, Range 2 East, W.M., described as follows:

The East 125.00 feet of that portion of Government Lot 1, Section 32, Township 35 North, Range 2 East, W.M., lying South of the Government Meander Line, and North of the North right-of-way line of the Great Northern Railway and West of that old fence property line established by that certain judgment entered September 6, 1956, in Skagit County Superior Court Cause No. 23670.



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TOGETHER WITH a portion of Weaverling Road #107 which portion of said road was vacated on June 14, 1948, under Commissioner's File No. 7828, EXCEPT that portion lying within the existing Weaverling Road.

PARCEL "D":

That portion of Tideland Tract 7, Plat 14, of Section 29, Township 35 North, Range 2 East, W.M., more particularly described as follows:

Commencing at the Southwest corner of said Section 29; thence due East 603.321 feet to the true point of beginning; thence continuing due East 271.679 feet to the Inner Harbor Line of Fidalgo Bay; thence North 47 degrees 19' 00" West along said Inner Harbor Line 291.946 feet; thence South 16 degrees 05' 00" West parallel with said old fence property line, (as established in Skagit County Superior Court Cause No. 23670); 205.986 feet to the true point of beginning; EXCEPT any portion thereof lying within the boundaries of that portion of said Tract 7, Plat 14, conveyed by Deed recorded under Auditor's File No. 8007220032, from Richard Stockwell, et ux, to Richard Stockwell as Trustee.

PARCEL "E":

The East 125 feet of that portion of Tract 18, Plat 12, Tide and Shore land of Section 32, Township 35 North, Range 2 East, W.M., Anacortes Harbor, according to the recorded plat thereof, lying Northeasterly of the North line of the right-of-way of the Seattle and Northern (now Burlington Northern) Railway, and Westerly of the "Old Fence Line" as established by decree dated August 27, 1962, in Skagit County Superior Court Cause No. 23670, produced Northerly through Tract 18.



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31-35-2

32-3-2

SUR 17-98

FOUND CONC. MON. AT HIGH WATER IN CONC. SLAB, SLOPING NORTH
0.81' N. OF RECORDED POSITION USED.

TRACT 7, PLATE NO. 14
TRACT 18, PLATE NO. 12

APPROXIMATE
HIGH TIDE
LINE

SET LEAD AND
BRASS BRAD
IN CONC. RAMP

GOVERNMENT

WEA

LOT 1

OLD FENCE LINE
PER JUDGMENT NO. 23

LEGAL DESCRIPTION

THOSE PORTIONS OF GOVERNMENT LOT 1 IN SECTION 31 LYING EAST OF HIGHWAY 20, ALL IN TOWNSHIP 35 N. WILLAMETTE MERIDIAN, SAGITT COUNTY, EXCEPT THAT PORTION OF GOVERNMENT LOT 1 OLD FENCE BOUNDARY AS SUPERIOR COURT CAUSE NO. 23670 EXCEPT THAT PORTION OF SAID GOVERNMENT LOT 1 IN SECTION 31 DESCRIBED LINE: BEGINNING AT THE CORNER OF SECTION 32, TOWNSHIP 35 N. IN SAGITT COUNTY, WASHINGTON; THENCE SOUTH TO THE INTERSECTION OF SECTION 31 AND 32 AND THE NORTH RIGHT-OF-WAY; THENCE WEST ON THE NORTH LINE OF THE BURLINGTON NORTH RAILROAD TO THE RIGHT-OF-WAY WHICH IS CHANGE (FROM 100 FEET TO 75 FEET) TO A POINT ON THE NORTH BOUNDARY OF THE WEST 80 FEET DISTANT FROM THE NORTH BOUNDARY EXCEPT BURLINGTON ROAD, SUBJECT TO AND TOGETHER WITH CONDITIONS, RIGHTS AND RESTRICTIONS.

This sketch is furnished as a courtesy only by FIRST AMERICAN TITLE INSURANCE COMPANY and its agent and is NOT a part of any Title Commitment or Policy of Title Insurance.

This sketch is furnished solely for the purpose of assisting in locating the premises and does not purport to show all highways, roads or easements affecting this property. No reliance should be placed upon this sketch for the location or dimensions of the property and no liability is assumed for the correctness thereof.

SURVEYOR'S CERTIFICATE

This map correctly represents a survey made by me or under my direction in conformance with the requirements of the Survey Recording Act at the request of Mr. Richard Stockwell on April, 1895.

Ben C. Morris, P.L.S., Certificate No. 22342

LARRY STEELE & ASSOCIATES
LAND SURVEYORS

1825 LINCOLN ST.
BOLTON, WA 98226

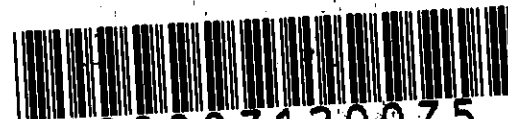
PORTIONS OF THE NW1/4, NW1/4
(GOV. LOT 1) SECTION 32, AND
NE1/4, NE1/4 (GOV. LOT 6)
SECTION 31, TOWNSHIP 35 NORTH
RANGE 2 EAST, W.M.
CITY OF ANACORTES
SKAGIT COUNTY, WASHINGTON

RECORD

RICHARD

DRAWN BY: JKH
CHECKED BY: BCM

DATE: 8/1
SCALE: 1"



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