When recorded, please return to: J. Eric Gustafson Lyon, Weigand & Gustafson PS P.O. Box 1689 Yakima WA 98907 200105140006 , Skagit County Auditor

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QUIT CLAIM DEED

THE GRANTOR, PHYLLIS E. MCKELLAR, a widow, for and in consideration of love and affection, conveys and quit claims to GRANTEE, JACK D. MCKELLAR, a married person, as his separate estate, an undivided 14.5% interest in the total undivided 100% interest of the following described real estate, situated in the County of Skagit, State of Washington, together with all after acquired title of the grantor therein:

Unit 1, HARBOR LIGHTS, Condominiums, according to the declaration thereof recorded under Auditor's File No. 9208250025 and Survey Map and Plat thereof recorded in Volume 15 of Condominiums, pages 40 through 43, inclusive, records of Skagit County, Washington.

ACCOUNT NO. 4583 000-001-0000

RESERVING A LIFE ESTATE in said property to Phyllis E. McKellar, and the rent free right to occupy said premises and to retain the rents therefrom conditioned only upon the payment of real estate taxes and assessments, fire insurance and cost of normal maintenance thereon.

Immediately prior to this gift, the fair market value of the total undivided 100% interest in said real property was \$90,000.00, and Grantor owned a 27.5% undivided

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LYON, WEIGAND & GUSTAFSON PS
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interest therein, subject to a life estate. Based on Grantor's age of 86, the factor used in determining the value of the life estate is .33764, resulting in a life estate value under DSHS Manual F Regulations of \$30,387.60, and a residual value, for gift computation purposes, of \$59,612.40. The value of this gift is, therefore, \$8,643.80 and immediately after this gift, Grantor owned 13% undivided interest in said real property, and Grantee owned an undivided 87% of the 100% undivided interest in the said real property subject to life estate. Notwithstanding any other provisions herein, the total gift herein made shall not exceed an \$8,950.00 interest in said real property from Grantor to Grantee, under DSHS regulations in effect on the date of the execution of this deed, and this deed shall be automatically amended, at any time, if necessary, to reflect that this is a gift of an interest not greater than \$8,950.00 of the value of said real property, under said DSHS regulations, as of this date.

day of May, 2001.

STATE OF WASHINGTON

1 1 2001

On this day personally appeared before me PHYLLIS E. MCKELLAR, to me known to be the individual who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this _d_ day of May, 2001.

Notary Public in and for the State of

Washington, residing in __Yakimt

My Commission expires

QUIT CLAIM DEED

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