

AFTER RECORDING, RETURN TO:

SUMMIT BANK

PO BOX 805

BURLINGTON, WA 98233-3328



200905120016
Skagit County Auditor

5/12/2009 Page 1 of 5 9:39AM

LAND TITLE OF SKAGIT COUNTY

133244-3

Abbrev. Legal
Tax Account #
Grantor
Grantee
Ref. No.

PTN NE 1/4 SW 1/4, 16-34-3 E W
SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX
340416-3-002-0000; 34016-3-003-0009; and 340416-3-004-0000
JOHN AND SHANNON ELLIS
SUMMIT BANK
2009 0123 0107
1334
MAY 12 2009

DEED IN LIEU OF FORECLOSURE

Amount Paid \$
By Skagit Co. Treasurer
Deputy

THE GRANTORS, JOHN ELLIS AND SHANNON ELLIS,

for and in consideration of the release of Grantors for certain liability set forth below,

convey and warrant to GRANTEE, SUMMIT BANK,

the following described real estate situated in the County of Skagit, State of Washington, together with all after acquired title of the grantors therein,

See attached Schedule "A"-(

Situate in the County of Skagit, State of Washington.

The address of said property is: 2858 E. College Way, Mount Vernon WA 98273.

This deed is given as an absolute conveyance, assignment and interest of all title or interest of the grantors in the real property described herein and is not intended as a mortgage, trust conveyance or security of any kind. It is the intention of grantors to convey to grantee all their right, title and interest in the property to the grantee. This deed is executed and delivered by the Grantors in

connection with the deed of trust executed by Grantor CRYSTAL N WEST LLC - SERIES 30TH COLLEGE WAY, to Land Title Insurance Company as Trustee, in favor of Summit bank, as Beneficiary, and recorded on January 23 2009, under Auditors File No. 200901230107, records of Skagit County, State of Washington, the beneficial interest being now held by Summit Bank.

It is warranted and covenanted by the Grantors in executing this Deed in Lieu of Foreclosure and agreed by the Grantee in accepting the Deed as follows:

1. The consideration for the execution of this Deed in Lieu consists of the release of the Grantor(s) from any personal liability including any personal guaranty for repayment of the amount due to the Grantee under the promissory notes dated June 22, 2005; March 27, 2006; and March 27, 2006 outstanding as of the date hereof. Nothing shall be construed to release the Grantor(s) or any other party from any other obligations to the Grantee, including any other obligations that may also be secured by the Deed of Trust described above, or to preclude or otherwise prejudice the Grantee's right to proceed with a foreclosure action against the property or any other property secured by the Deed of Trust, provided that the Grantee shall not seek any deficiency judgment against the Grantor(s) in such foreclosure. The consideration set forth above is equal to the fair market value of the property and includes the fair and reasonable value of the Grantor(s) interest in the property.
2. This deed is executed voluntarily by Grantor, and not pursuant to duress or threats of any kind. Furthermore, it is executed and delivered in mutual good faith between Grantor and Grantee, and is not given or intended to hinder, delay, or defraud any creditor, or to contravene any of the bankruptcy laws of the United States or applicable laws.
3. Grantor(s) further warrant and represent that: (a) the Grantor has full power and authority to execute and deliver this Deed in Lieu; (b) this conveyance and assignment is freely and fairly made; and (c) Grantor is not rendered insolvent by this conveyance and assignment.
4. The Grantee by accepting and recording this deed does not intend a merger of its interest under that certain deed of trust referenced above with the fee title herein conveyed to take place, and it is the intention of the parties that the property described above shall remain subject to the lien of said deed of trust. Although the Grantee waives its right to pursue a personal judgment against the Grantor(s) for the debt(s) referenced in Paragraph 1, above, the Grantee retains the right to proceed with the foreclosure of the Deed of Trust, against the property in the event a foreclosure is required to clear title to the property of any existing or future encumbrances junior to the Deed of Trust.



200905120016
Skagit County Auditor

Dated: ~~December~~ January 5, 2008

GRANTORS:

[Signature]
John W. Ellis 1/5/08

[Signature]
Shannon E. Ellis

GUARANTORS:

[Signature]
John W. Ellis 1/5/08

[Signature]
Shannon E. Ellis

GRANTEE:

[Signature]
JAMES E. BISHOP, II
PRESIDENT & CHIEF CREDIT OFFICER
SUMMIT BANK

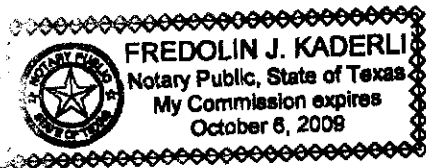
STATE OF TEXAS)
COUNTY OF GILLESPIE : SS)

I certify that I know or have satisfactory evidence that John W. Ellis and Shannon E. Ellis are the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this document.

Dated: ~~December~~ JAN 5, 2009, 2008
FK

[Signature]

Print Name: Fredolin J. Kaderli



NOTARY PUBLIC in and for the State of TEXAS, residing at GILLESPIE COUNTY, TX.

My appointment expires: 10/6/09



200905120016
Skagit County Auditor

STATE OF WASHINGTON)
: SS
COUNTY OF SKAGIT)

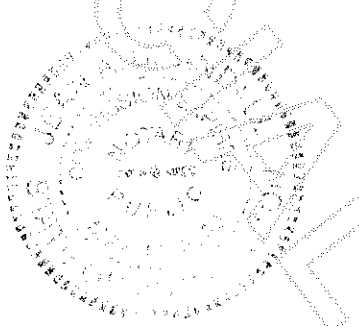
I certify that I know or have satisfactory evidence that James E. Bishop, II is the persons who appeared before me, and said persons acknowledged that they signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in this document.

Dated: ~~December~~ ^{JANUARY 23 2009} , 2008


Print Name: JEAN A. CRANDALL

NOTARY PUBLIC in and for the State of Washington, residing at MT Vernon.

My appointment expires: 5-14-09



200905120016
Skagit County Auditor

Schedule "A-1"

Order No.: 133264-S
Policy No.: TSG-6304-19986

DESCRIPTION:

PARCEL "A":

The West 165 feet of the East 660 feet of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 16, Township 34 North, Range 4 East, W.M.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.

PARCEL "B":

The West 330 feet of the East 495 feet of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 16, Township 34 North, Range 4 East, W.M.,

EXCEPT from both of the above Parcels, the South 50 feet as conveyed to Clearlake Lumber Co., a corporation by deed executed January 29, 1908, by the Cedardale Lumber Company, and recorded February 10, 1908, in Volume 72 of Deeds, page 547.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.

PARCEL "C":

That portion of the East 165 feet of the Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 16, Township 34 North, Range 4 East, W.M., lying South of the South line of that certain 15 foot wide strip conveyed to the City of Mount Vernon by deed recorded March 1, 1983, under Auditor's File No. 8303010015,

EXCEPT the South 60 feet thereof.

Situate in the City of Mount Vernon, County of Skagit, State of Washington.

EXCEPT from all of Parcels "A", "B" and "C", those portions conveyed to the City of Mount Vernon by deed recorded April 9, 1999, under Auditor's File No. 9904090045.



200905120016
Skagit County Auditor

5/12/2009 Page

5 of

5 9:39AM