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08/28/2018 03:54 PM Pages: 1 of 9 Fees: \$107.00
Skagit County Auditor

COPY

Document Title: **Land Title and Escrow**

TRUST AGREEMENT

Reference Number: 02-167838-OE

Grantor(s):

additional grantor names on page ____.

1. JOE LYNN HAYES REVOCABLE TRUST

2.

Grantee(s):

additional grantee names on page ____.

1. JOE LYNN HAYES

2.

Abbreviated legal description:

full legal on page(s) ____.

LOT 2 AND PORTIONS OF LOTS 13 & 14, ALL IN HILLCREST TERRACE ADD.
TO ANACORTES.

Assessor Parcel / Tax ID Number:

additional tax parcel number(s) on page ____.

P57529 & P57515

The Joe L. Hayes Revocable Trust

Article One Establishing My Trust

The date of this trust is April 24, 2015. The parties to this trust are Joe Lynn Hayes (the *Grantor*) and Joe Lynn Hayes (my *Trustee*).

I intend to create a valid trust under the laws of Alaska and under the laws of any state in which any trust created under this trust document is administered. The terms of this trust prevail over any provision of Alaska law, except those provisions that are mandatory and may not be waived.

Section 1.01 Identifying My Trust

For convenience, my trust may be referred to as:

"The Joe L. Hayes Revocable Trust dated April 24, 2015."

To the extent practicable, for the purpose of transferring property to my trust or identifying my trust in any beneficiary or pay-on-death designation, my trust should be identified as:

"Joe Lynn Hayes, Trustee, of the Joe L. Hayes Revocable Trust dated April 24, 2015, and any amendments thereto."

For all purposes concerning the identity of my trust or any property titled in or payable to my trust, any description referring to my trust will be effective if it reasonably identifies my trust and indicates that the trust property is held in a fiduciary capacity.

Section 1.02 Reliance by Third Parties on Affidavit or Certification of Trust

Third parties may require documentation to verify the existence of this trust, or particular provisions of it, including the name of my Trustee or the powers held by my Trustee. To protect the confidentiality of this instrument, my Trustee may use an affidavit or a certification of trust that identifies my Trustee and sets forth the authority of my Trustee to transact business on behalf of my trust instead of providing a copy of this instrument. The affidavit or certification may include pertinent pages from this instrument, including title or signature pages.

A third party may rely upon an affidavit or certification of trust that is signed by my Trustee with respect to the representations contained in it. A third party relying upon an affidavit or certification of trust will be exonerated from any liability for actions the third party takes or does not take in reliance upon the representations contained in the affidavit or certification of trust.

A third party dealing with my Trustee will not be required to inquire into this trust's terms or the authority of my Trustee, or to see to the application of funds or other

Article Three Trustee Succession Provisions

Section 3.01 Resignation of a Trustee

A Trustee may resign by giving written notice to me. If I am incapacitated or deceased, a resigning Trustee must give written notice to the trust's Income Beneficiaries and to any other then-serving Trustee.

Section 3.02 Trustee Succession during My Lifetime

During my lifetime, this Section governs the removal and replacement of my Trustees.

(a) Removal and Replacement by Me

I may remove any Trustee with or without cause at any time. If a Trustee is removed, resigns, or cannot continue to serve for any reason, I may serve as sole Trustee, appoint a Trustee to serve with me, or appoint a successor Trustee.

(b) During My Incapacity

During any time that I am incapacitated, EDWARD JONES TRUST COMPANY will replace any then-serving Trustee.

If I am incapacitated, a Trustee may be removed only for cause, and only if a court of competent jurisdiction approves the removal upon the petition of an interested party.

Section 3.03 Trustee Succession after My Death

After my death, this Section will govern the removal and replacement of my Trustees.

(a) Successor Trustee

I name EDWARD JONES TRUST COMPANY to serve as my successor Trustee after my death, replacing any then-serving Trustee.

(b) Trustee of Separate Trusts

The Primary Beneficiary of a separate trust created under this agreement may, upon attaining the age of 35, appoint himself or herself as a Cotrustee of his or her separate trust and may serve as the sole Trustee of the trust.

If the interest of a beneficiary will be merged into a life estate or an estate for years because the beneficiary is serving as sole Trustee, the beneficiary shall appoint a Cotrustee to avoid such merger. Similarly, if the interest of a beneficiary becomes, or is likely to become, subject to the claims of any creditor or to legal process as a result of serving as sole Trustee the beneficiary shall appoint an Independent Trustee to serve as Cotrustee.

protection of the trust. All payments will be a charge against the trust property and will be paid by my Trustee out of income. If the income is insufficient, then my Trustee may make any payments of property taxes or expenses out of the trust property's principal. My Trustee's determination with respect to this payment will be conclusive on the beneficiaries.

Section 11.15 Purchase of Assets from and Loans to My Probate Estate

Upon my death, my Trustee may purchase at fair market value and retain in the form received any property that is a part of my probate or trust estate as an addition to the trust. In addition, my Trustee may make secured and unsecured loans to my probate or trust estate. My Trustee may not be held liable for any loss suffered by the trust because of the exercise of the powers granted in this Section.

My Trustee may not use any trust property for the benefit of my estate as defined in Code of Federal Regulations Title 26 Section 20.2042-1(b), unless the property is included in my gross estate for federal estate tax purposes.

Section 11.16 Qualified Real Property Valuation

My Independent Trustee has the power to amend the terms of a trust holding *qualified real property* as defined in Internal Revenue Code Section 2032A, in order to permit the qualified real property to qualify for special use valuation permitted under Section 2032A, even if the amendment changes beneficial interests and that directs the segregation of trust property into more than one trust.

Section 11.17 Real Estate Powers

My Trustee may sell at public or private sale, convey, purchase, exchange, lease for any period, mortgage, manage, alter, improve, and in general deal in and with real property in the manner and on the terms and conditions as my Trustee deems appropriate.

My Trustee may grant or release easements in or over, subdivide, partition, develop, raze improvements to, and abandon any real property.

My Trustee may manage real estate in any manner considered best, and may exercise all other real estate powers necessary to effect this purpose.

My Trustee may enter into contracts to sell real estate. My Trustee may enter into leases and grant options to lease trust property, even though the term of the agreement extends beyond the termination of any trusts established under this trust and beyond the period that is required for an interest created under this trust to vest in order to be valid under the rule against perpetuities. My Trustee may enter into any contracts, covenants, and warranty agreements that my Trustee deems appropriate.

Section 11.18 Residences and Tangible Personal Property

My Trustee may acquire, maintain, and invest in any residence for the beneficiaries' use and benefit, whether or not the residence is income producing and without regard to the proportion that the residence's value may bear to the trust property's total value, even if retaining the residence involves financial risks that Trustees would not ordinarily incur. My Trustee may pay or make arrangements for others to pay all carrying costs of any

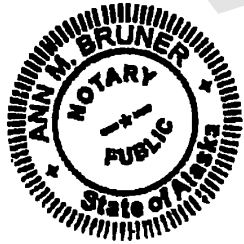
I have executed this trust on April 24, 2015. This trust instrument is effective when signed by me, whether or not now signed by a Trustee.

Joe L. Hayes
Joe Lynn Hayes, Grantor

STATE OF ALASKA)
THIRD JUDICIAL DISTRICT) ss.
)

This instrument was acknowledged before me on April 24, 2015, by Joe Lynn Hayes, as Grantor.

[Seal]



Ann M. Bruner
Notary Public
My commission expires: 3/3/2016

Edward Jones
Trust Company

12555 Manchester Road
St. Louis, MO 63131-3729
314-515-9306
Fax 877-335-9561

DECLINATION OF TRUSTEE

WHEREAS, Joe L. Hayes, as Grantor, created the Joe L. Hayes Trust ("Trust") by an agreement executed on April 24, 2015;

WHEREAS, Joe L. Hayes named Edward Jones Trust Company to serve as successor Trustee of the Trust upon his death under the terms of said agreement;

WHEREAS, Edward Jones Trust Company has not accepted the position of Trustee, and it has not taken any actions or assumed any responsibilities as Trustee; and

WHEREAS, Edward Jones Trust Company does not wish to serve as Trustee.

NOW THEREFORE, Edward Jones Trust Company hereby declines to serve as Trustee of the Joe L. Hayes Trust U/A/D 4/24/2015, and all other trusts created thereunder.

DATED this 21st day of March, 2017.

EDWARD JONES TRUST COMPANY

Signature: 

Printed Name:

MICAH H. HUFF

**A Member of the Edward Jones Trust Company
Account Acceptance Committee**

Date: 3/21/18

APPOINTMENT OF SUCCESSOR TRUSTEE
THE JOE L. HAYES REVOCABLE TRUST DATED APRIL 24, 2015

Joe L. Hayes (the "Grantor") created the Joe L. Hayes Revocable Trust dated April 24, 2015 (the "Trust"). The Grantor died on February 16, 2018. Under Section 3.03 of the Trust, Edward Jones Trust Company is nominated to serve as successor Trustee of the Trust. By separate document, Edward Jones Trust Company has declined to serve as Trustee. As the sole beneficiaries of the Trust, Debra Gravo, Karin Hayes, and Laura Hayes hereby appoint themselves, individually, and Peak Trust Company-AK of Anchorage, Alaska, as the successor Co-Trustees of the Trust.


Acceptance of trusteeship is contingent upon the following:


To the extent permitted by the Trust and Alaska law, ~~Debra Gravo, Karin Hayes, and Laura Hayes~~, as beneficiaries and successor Co-Trustees (the "Individual Trustees") and Peak Trust Company-AK, as successor Co-Trustee, agree that (i) no Trustee shall incur any liability by reason of any error or judgement, mistake of law or action of any kind taken or omitted to be taken in connection with the administration of any trust created hereunder if in good faith reasonably believed by such Trustee to be in accordance with the provisions and intent hereof, except for matters involving such Trustee's willful misconduct or gross negligence proved by clear and convincing evidence, (ii) Peak Trust Company-AK shall not have any fiduciary responsibility to observe, monitor, or evaluate the actions of the Individual Trustees and shall not be liable to any party for the failure to seek to remedy a breach of trust, or in a recurring situation to request instructions from a court having jurisdiction over the trust, even if an Individual Trustee may be guilty of a gross violation of fiduciary duties hereunder, (iii) the Individual Trustees shall not have any fiduciary responsibility to observe, monitor or evaluate the actions of Peak Trust Company-AK and shall not be liable to any party for the failure to seek to remedy a breach of trust, or in a recurring situation to request instructions from a court having jurisdiction over the trust, even if Peak Trust Company-AK may be guilty of a gross violation of fiduciary duties hereunder, and (iv) each Trustee shall be fully indemnified by the trust estate against any claim or demand by any trust beneficiary or trust creditor, except for any claim or demand based on such Trustee's willful misconduct or gross negligence proved by clear and convincing evidence. Expenses incurred by a Trustee in defending any such claim or demand shall be paid by the trust estate in advance of the final disposition of such claim or demand, upon receipt of an undertaking by or on behalf of such Trustee to repay such amount if it shall ultimately be determined that such Trustee is not entitled to be indemnified as authorized by this paragraph.


By their signatures below, the nominated Successor Co-Trustees accept their appointments and agree to be bound by the terms of the Trust.

[Signatures to follow]


BENEFICIARIES



Karin Hayes
Date: 3/19/2018

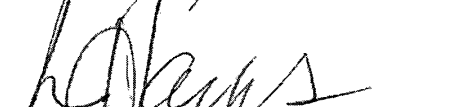

Debra Gravo
Date: 3/19/18



Laura Hayes
Date: 3.21.2018

SUCCESSOR CO-TRUSTEES


Karin Hayes
Date: 3/19/2018


Debra Gravo
Date: 3/19/18


Laura Hayes
Date: 3.21.2018



Brandon Cintula, Senior Trust Officer
Peak Trust Company-AK
Date: 3/26/18

JOE L. HAYES REVOCABLE TRUST
DELEGATION BY CO-TRUSTEE

Debra Gravo, Karin Hayes, Laura Hayes, and Peak Trust Company-AK are the Co-Trustees of the Joe L. Hayes Revocable Trust dated April 24, 2015. As permitted under AS 13.36.072(b), Debra Gravo hereby delegates to Karin Hayes all powers under AS 13.36.109 with respect to the properties listed below, including, but not limited to, the power to execute and deliver deeds, purchase and sale agreements, disclosures, representations, and any other documents or contracts related to the sale of the properties identified below:

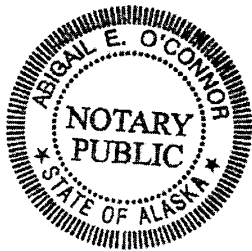
1. Residence located at 3905 V Ave, Anacortes, WA, 98221 (Assessor's Parcel #P57529, described as: HILLCREST TERRACE ADD TO ANA. LT 14 TGW PTN TR 13 DAF BAT NW C TR 13 TH S ALG W LI TR 13 20FT TH NELY TAP ON N LI TR 13 WH IS 71.355FT E OF NW C SD TR TH W ALG SD N LI TPOB LESS RT 013-0006);
2. Vacant lot located on V Ave. Anacortes, WA, 98221 (Assessor's Parcel #P57515, described as HILLCREST TERRACE ADD TO ANA. LOT 2);
3. Residence located at 9710 Arlene Dr., Anchorage, AK 99502 (Assessor's Parcel 012-412-37, described as LOT 16, BLOCK 2, CAMPBELL LAKE HEIGHTS #10);
4. Vacant lot located on Arlene Dr., Anchorage, 99502 (Assessor's Parcel #012-383-49, described as LOT 17, BLOCK 2, CAMPBELL LAKE HEIGHTS #10); and
5. Residence located at 1218 W. 10th Ave, Anchorage, AK 99501 (Assessor's Parcel #001-083-09, described as LOT 2A, BLOCK 16A SOUTH ADDITION).

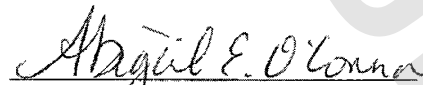
Dated and effective: June 15, 2018.


Debra Gravo, as Co-Trustee of the Joe L. Hayes Revocable Trust dated April 24, 2015

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

The foregoing instrument was acknowledged before me this 15th day of June, 2018, by Debra Gravo, who is personally known to me.




Notary Public-State of Alaska
Commission Expiration: 2/16/21