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Skagit County Auditor

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SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX
2022.461
FEB 08 2022
Amount Paid \$ 0
Skagit Co. Treasurer
By LT Deputy

DOCUMENT TITLE: MEMORANDUM OF TRUST

REFERENCE NUMBER: SKAGIT COUNTY CAUSE NO. 21-4-00160-29
AUDITOR'S FILE # 202110010089
AUDITOR'S FILE # 202110010090

GRANTOR: LLOYD G. HANSON AND KIM Y. HANSON

GRANTEE: THE LLOYD G. HANSON AND KIM Y. HANSON
REVOCABLE LIVING TRUST dated OCTOBER 16,
2013

TAX PARCEL NUMBER: P124572 (4892-000-039-0000)

LEGAL DESCRIPTION:

Lot 39, "PLAT OF SKAGIT HIGHLANDS DIVISION 3," as per plat recorded under Auditor's File No. 200605150163, records of Skagit County, Washington.

TOGETHER WITH AND SUBJECT TO: All covenants, conditions, restrictions, reservations, agreements, easements, provisions and assessments of record, if any.

Situate in the County of Skagit, State of Washington.

DECLARATION OF INTENT

THE LLOYD G. HANSON AND KIM Y. HANSON
REVOCABLE LIVING TRUST

The undersigned, LLOYD G. HANSON and KIM Y. HANSON, as Trustors, and LLOYD G. HANSON and KIM Y. HANSON, as Trustees of THE LLOYD G. HANSON AND KIM Y. HANSON REVOCABLE LIVING TRUST, declare that all property listed on the Schedule of Trust Property, hereby incorporated by reference, as amended from time to time, and all other property transferred to THE LLOYD G. HANSON AND KIM Y. HANSON REVOCABLE LIVING TRUST shall belong to the Trust, and all such assets shall belong to the Trust and not to, LLOYD G. HANSON and KIM Y. HANSON individually. Except to the extent of interest provided in the Trust document and this Declaration, LLOYD G. HANSON and KIM Y. HANSON have no personal interest in any such properties. It is the intention of, LLOYD G. HANSON and KIM Y. HANSON that this Declaration shall constitute confirmation of trust ownership and shall be binding on the heirs, successors, executors, administrators, and assigns of, LLOYD G. HANSON and KIM Y. HANSON.

IN WITNESS WHEREOF, the undersigned has executed the DECLARATION OF INTENT this 16 day of December, 2013.

Trustor:
Lloyd G. Hanson
LLOYD G. HANSON

Trustee:
Lloyd G. Hanson
LLOYD G. HANSON

Trustor:
Kim Y. Hanson
KIM Y. HANSON

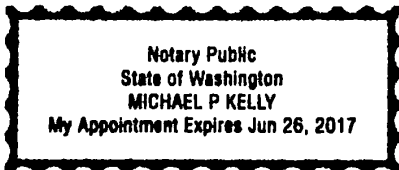
Trustee:
Kim Y. Hanson
KIM Y. HANSON

Certificate of Acknowledgement of Notary Public

STATE OF WASHINGTON)
) ss.
COUNTY OF Snohomish)

On this 16 day of December, 2013, before me the undersigned, a Notary Public in and for said county and state, duly commissioned and sworn and residing therein, personally appeared LLOYD G. HANSON and KIM Y. HANSON, to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that they signed the same as their free and voluntary act and deed, for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 16 day of December, 2013.



Michael P Kelly
Print Name: Michael P Kelly
Notary Public in and for the State of Washington,
Residing at Whitcomb Co, WA
My Commission Expires: 6-23-2017

MEMORANDUM OF TRUST**THE LLOYD G. HANSON AND KIM Y. HANSON
REVOCABLE LIVING TRUST**

THE UNDERSIGNED, being duly sworn, depose and certify:

LLOYD G. HANSON and KIM Y. HANSON, as Trustors, and **LLOYD G. HANSON and KIM Y. HANSON**, as Trustees, executed a Declaration of Trust dated 12 - 16 - 2013. Said Declaration of Trust is entitled: **THE LLOYD G. HANSON AND KIM Y. HANSON REVOCABLE LIVING TRUST**.

1. That the current Beneficiaries under the terms of said Declaration of Trust are the Trustors.
2. That the power and authority of the Trustee(s) with respect to the Trust property include, by way of illustration, the following:

The Trustee shall have all powers conferred upon a Trustee by law for the orderly administration of the Trust Estate. If any property is distributed outright under the provision of this Trust Agreement to a person who is a minor, distribution may be made under the Washington Uniform Gift to Minors Act. The Trustee is further authorized to sign, deliver and/or receive any documents necessary to carry out the powers contained within this Section.

The Trustee of any trust created under this Trust Agreement (including any substitute or successor trustee) will have and be subject to all of the powers, duties, and responsibilities granted or imposed by the Washington Trust Code as such Code may provide at the time of administration of the trust, except to the extent that the same are inconsistent with the provisions of this Agreement.

Specific Powers of Trustee

In addition, the Trustee will have the following specific powers:

- a) Trust Estate - The Trustee may leave invested, any property coming into its hands hereunder in any form of investment, even though the investment may not be of the character of investments permitted by law to Trustees, without liability for loss or depreciation in value. The Trustee may sell, exchange, or otherwise dispose of and reinvest property which may at any time be a part of the Trust Estate upon such terms and conditions as the Trustee may deem advisable. The Trustee may invest and reinvest the Trust Assets from time to time in any property, real, personal, or mixed, including without limitation securities of domestic and foreign corporations and investment trusts or companies, bonds, debentures, preferred stocks, common stocks, mortgages, mortgage participations, and interests in common trust funds, all with complete discretion to convert realty into

personalty or personalty into realty or otherwise change the character of the Trust Estate, even though such investment (by reason of its character, amount, proportion to the total Trust Estate, or otherwise) would not be considered appropriate for a fiduciary apart from this provision, and even though such investment caused part or all of the total Trust Estate to be invested in investments of one type or of one business or company.

b) Holding Property - The Trustee may hold property in the Trustee's name, as Trustee, or in the name of a nominee without disclosing the Trust.

c) Release of Power - If the Trustee deems it to be in the best interest of the Trust and its Beneficiaries, the Trustee, by written instrument signed by such Trustee, will have the power and authority to release, disclaim or restrict the scope of any power or discretion granted in this Trust Agreement or implied by law.

d) Agents, Employees - The Trustee may employ one or more agents to perform any act of administration, whether or not discretionary, including attorneys, auditors, investment managers or others, as the Trustee shall deem necessary or advisable. The Trustee may compensate agents and other employees, and may delegate to them any and all discretions and powers.

e) Leases - The Trustee may lease any Trust Assets generally or for oil, gas and mineral development, even though the lease term may extend beyond the term of the trust of which the property is a part. The Trustee may enter into any covenants and agreements relating to the property so leased or any improvements which may then or thereafter be erected on such property.

f) Common Funds - The Trustee may hold any of the Trust Assets in a common fund with property from other trust estates and to make investments jointly with any other trust, the property of which is included in the common fund.

g) Securities - With respect to securities held in the Trust Estate, the Trustee may exercise all the rights, powers, and privileges of an owner, including, but not limited to, the power to vote, give proxies, and to pay assessments and other sums deemed by the Trustee necessary for the protection of the Trust estate; to participate in voting trusts, foreclosures, reorganizations, consolidations, mergers, and liquidations, and in connection therewith to deposit securities with and transfer title to any protective or other committee under such terms as the Trustee may deem advisable; to exercise or sell stock subscription or conversion rights; and to accept and retain as an investment any securities or other property received through the exercise of any of the foregoing powers, regardless of any limitations elsewhere in this instrument relative to investments by the Trustee.

h) Purchases from Estate - The Trustee may purchase property of any kind from the executor or administrator.

i) Lending - The Trustee may make loans, secured or unsecured, to the executor or administrator of our estates, to any Beneficiary of the Trust or to the Trustee. Further, the Trustee may use Trust Assets to guarantee obligations of any income Beneficiary of the Trust (unless such Beneficiary is serving as Trustee).

j) Distributions to or for Beneficiaries - The Trustee may make any distribution contemplated by this Trust Agreement (1) to the Beneficiary, (2) if the Beneficiary is under a legal disability or if the Trustee determines that the Beneficiary is unable to properly manage his or her affairs, to a person furnishing support, maintenance or education for the Beneficiary or with whom the Beneficiary is residing, for expenditures on the Beneficiary's behalf, or (3) if the Beneficiary is a minor, to a Trustee of an existing trust established exclusively for the benefit of such minor, whether created by this Trust Agreement or otherwise, or to a custodian for the Beneficiary, as selected by the Trustee, under the Washington Uniform Gifts to Minors Act. Alternatively, the Trustee may apply all or a part of the distribution for the Beneficiary's benefit. Any distribution under this paragraph will be a full discharge of the Trustee with respect thereto. On any partial or final distribution of the Trust Assets, the Trustee may apportion and allocate the assets of the Trust Estate in cash or in kind, or partly in cash and partly in kind, or in undivided interests in the manner deemed advisable at the discretion of the Trustee and to sell any property deemed necessary by the Trustee to make the distribution. The Trustee may distribute gifts out of principal or income.

k) Insurance - The Trustee may purchase new life insurance and to pay the premiums on existing life insurance on the life of any trust Beneficiary and to purchase annuities (either commercial or private) from any corporation, trust or individual; and to procure and pay the premiums on other insurance of the kinds, forms and amounts deemed advisable by the Trustee to protect the Trustee and the Trust Estate.

l) Borrowing, Mortgages, Liens, Deeds of Trust and Reverse Mortgage Agreements – The Trustee may execute mortgages, deeds of trust and encumbrances of any kind, including but not limited to, reverse mortgage agreements in the name of the Trust concerning any real estate owned by the trust and pledge, lien, encumber, sell and/or transfer any and all real estate owned by the Trust. To borrow money from others for the payment of taxes, debts, or expenses, or for any other purpose which, in the opinion of the Trustees, will facilitate the administration of these trusts, and pledge or mortgage property as security for such loans and, if money is borrowed from any Trustees, individually, to pay interest thereon at the then-prevailing rate of interest.

- m) Repairs - The Trustee may make ordinary and extraordinary repairs and alterations in buildings or other Trust Assets.
- n) Reserves - The Trustee may establish such reserves out of income for taxes, assessments, repairs and maintenance as the Trustee considers appropriate.
- o) Continuation of Business - The Trustee may continue any business or businesses in which Trustors have an interest at the time of death for so long as the Trustee may, in its sole discretion, consider necessary or desirable, whether or not the business is conducted by Trustors at the time of death individually, as a partnership or as a corporation wholly owned or controlled by Trustors, with full authority to sell, settle and discontinue any of them when and upon such terms and conditions as the Trustee may, in its sole discretion, consider necessary or desirable.
- p) Retain Property for Personal Use - The Trustee may retain a residence or other property for the personal use of a Beneficiary and to allow a Beneficiary to use or occupy the retained property free of rent and maintenance expenses.
- q) Dealings with Third Parties - The Trustee may deal with any person or entity regardless of relationship or identity of any Trustee to or with that person or entity and may hold or invest all or any part of the Trust Estate in common or undivided interests with that person or entity.
- r) Partitions, Divisions, Distributions - The Trustee will have the power to make all partitions, divisions, and distributions contemplated by this Trust Agreement. Any partitions, divisions, or distributions may be made in cash, in kind, or partly in cash and partly in kind, in any manner that the Trustee deems appropriate (including composing shares differently). The Trustee may determine the value of any property, which valuation will be binding on all Beneficiaries. No adjustments are required to compensate for any partitions, divisions, or distributions having unequal consequences to the Beneficiaries.
- s) Claims, Controversies - The Trustee may maintain and defend any claim or controversy by or against the Trust without the joinder or consent of any Beneficiary. The Trustee may commence or defend at the expense of the Trust any litigation with respect to the Trust or any property of the Trust Estate as the Trustee may deem advisable, and may employ, for reasonable compensation, such counsel as the Trustee shall deem advisable for that purpose.

t) Merger of Trusts - If at any time the Trustee of any trust created hereunder shall also be acting as Trustee of any other trust created by trust instrument or by trust declaration for the benefit of the same Beneficiary or Beneficiaries and upon substantially the same terms and conditions, the Trustee is authorized and empowered, if in the Trustee's discretion such action is in the best interest of the Beneficiary or Beneficiaries, to transfer and merge all of the assets then held under such trust created pursuant to this Trust Agreement to and with such other trust and thereupon to terminate the trust created pursuant to this Trust Agreement. The Trustee is further authorized to accept the assets of any other trust which may be transferred to any trust created hereunder and to administer and distribute such assets and properties so transferred in accordance with the provisions of this Agreement.

u) Termination of Small Trust - Any corporate trustee which is serving as the sole trustee of any trust or any share thereof may at any time terminate such trust or share if, in the trustee's sole judgment, the continued management of such trust or share is no longer economical because of the small size of such trust or share and if such action will be deemed to be in the best interests of the Beneficiary or Beneficiaries. In case of such termination, the trustee will distribute forthwith the share of the Trust Estate so terminated to the income Beneficiary or Beneficiaries, per stirpes. Upon such distribution, such trust or share will terminate and the trustee will not be liable or responsible to any person or persons whomsoever for its action. The trustee will not be liable for failing or refusing at any time to terminate any trust or a share thereof as authorized by this paragraph.

v) Power to Determine Income and Principal - Dividends payable in stock of the issuing corporation, stock splits and capital gains will be treated as principal. Except as herein otherwise specifically provided, the Trustee will have full power and authority to determine the manner in which expenses are to be borne and in which receipts are to be credited as between principal and income, and also to determine what will constitute principal or income, and may withhold from income such reserves for depreciation or depletion as the Trustee may deem fair and equitable. In determining such matters the Trustee may give consideration to the provisions of the Washington Trust Code (or its successor statutes) relating to such matters, but will not be bound by such provisions.

w) Generation-Skipping Taxes and Payment - If the Trustee considers any distribution or termination of an interest or power hereunder as a distribution or termination subject to a generation-skipping tax, the Trustee is authorized:

1) To augment any taxable distribution by an amount which the Trustee estimates to be sufficient to pay such tax and charge the same to the particular trust to which the tax related without adjustment of the relative interests of the Beneficiaries;

2) To pay such tax, in the case of a taxable termination, from the particular trust to which the tax relates without adjustment of the relative interests of the Beneficiaries. If such tax is imposed in part by reason of the Trust Assets, the Trustee will pay only the portion of such tax attributable to the taxable termination hereunder taking into consideration deductions, exemptions, credits and other factors which the Trustee deems advisable; and

3) To postpone final termination of any particular trust and to withhold all or any portion of the Trust Estate until the Trustee is satisfied that the Trustee no longer has any liability to pay any generation-skipping tax with reference to such trust or its termination.

- 3. Designate successor Trustee(s): **PATRICIA L. GEER** and then **LEIGH M. LOTT**, to serve, in that order.
- 4. The enumeration of certain powers of the Trustees shall not be interpreted as a limitation of any right of the Trustees not so enumerated, the Trustees being vested with and having all rights, duties, and powers and privileges which an absolute owner of the same property would have.

Trustors:

Trustees:

Lloyd G. Hanson
LLOYD G. HANSON

Lloyd G. Hanson
LLOYD G. HANSON

Kim Y. Hanson
KIM Y. HANSON

Kim Y. Hanson
KIM Y. HANSON

Certificate of Acknowledgement of Notary Public

STATE OF WASHINGTON)
) ss.
COUNTY OF Skipt)

On this 16 day of December, 2013, before me the undersigned, a Notary Public in and for said county and state, duly commissioned and sworn and residing therein, personally appeared LLOYD G. HANSON and KIM Y. HANSON to me known to be the individuals described in and who executed the foregoing instrument, and acknowledged to me that they signed the same as their free and voluntary act and deed, for the uses and purposes therein set forth.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 16 day of December, 2013.

Michael Kelly
Print Name: Michael Kelly
Notary Public in and for the State of Washington,
Residing at Whitman Co, WA
My Commission Expires: 6-23-2017

