



200304040166

Skagit County Auditor

WHEN RECORDED RETURN TO:

Errol Hanson Funding, Inc.
PO Box 508
Sedro-Woolley, WA 98284

4/4/2003 Page 1 of 4 2:50PM

Grantor.	Imes, Kurt
Grantee.	Errol Hanson Funding, Inc.
Abbrev. Legal	Lot 1 SP#PL01-0296, Being S.W. N.E. Section 15, T35N, R7EWM
Tax Parcel I.D.	350715 1-004-0108 / P42706

Assignment of Rents

On this date, April 4 2003, Kurt Imes and Dawn R. Imes has executed a promissory note in favor of Errol Hanson Funding, Inc., in the principal amount of Eighteen Thousand Dollars (\$18,000.00).

That note and all future advances made under it are secured by a Deed of Trust of even date that encumbers the property described as:

SEE EXHIBIT "A"

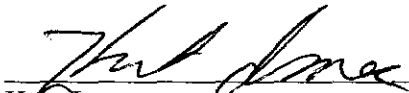
For value received and as additional security for the note, this Assignment of Rents is made this by the ASSIGNOR, Kurt Imes and Dawn R Imes hereafter called "Borrowers," to the ASSIGNEE, Errol Hanson Funding, Inc., hereafter called "Lender."

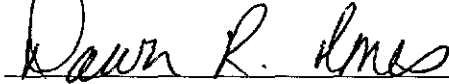
The Borrower hereby sells, transfers, and assigns to Lender all right, title and interest of the Borrower in the rents arising from the real property commonly known as 8256 Emmanuel Lane Concrete, Washington, Tax Parcel 350715-1-004-0108 / P42706 and more fully described in the legal description set forth above. The term of this assignment shall be until the above referenced note is fully paid and satisfied. A release of the above referenced Deed of Trust shall constitute a release of this assignment.

Conditions of Assignment

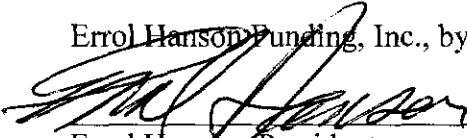
1. Lender is authorized to collect all rents, PROVIDED HOWEVER, that Lender may not collect rents until or unless Borrower is in default on its obligations under the above referenced note or deed of trust.

2. In the event the Borrower defaults on its obligations under the note and/or deed of trust, Lender may demand that the tenants pay all rents to the Lender.
3. Upon demand, the tenants shall pay the rents to the Lender without further inquiry. To that end, the Borrower shall execute concurrently with this assignment, a "Notice to Tenants" advising the tenants of the terms of this assignment. Lender shall not deliver the Notice to Tenants to the tenants unless and until the Borrower defaults on its obligations under the note and/or deed of trust.
4. During the term of this assignment, the Borrower shall not collect any rent in advance of the date due under the relevant lease.
5. The Borrower agrees that during the term of this assignment, the Borrower will make no future assignment or pledge of the rents from the described premises, nor perform any act that may prevent the Lender from exercising its rights under this assignment.
6. The Borrower agrees to perform all of its obligations under lease agreements with tenants in the described premises, to maintain all leases in full force and effect, to enforce the leases according to their terms, and not terminate or modify any lease without written consent from the Lender.
7. The Borrower agrees that nothing in this assignment shall obligate the Lender to pay any interest on tenant security deposits, make the Lender liable for the refund of security deposits, make the Lender a mortgagee in possession, make the Lender responsible for collecting rents or liable for failure to do so, make the Lender liable to account for any rents not actually collected, make the Lender responsible for any of the Borrower's obligations under its lease agreements with tenants, release the Borrower from any of its obligations under lease agreements, or constitute a waiver of any of the Lender's rights under the note and deed of trust.


Kurt Imes


Dawn R. Imes

Errol Hanson Funding, Inc., by:


Errol Hanson, President



**STATE OF WASHINGTON
COUNTY OF SKAGIT**

I certify that I know or have satisfactory evidence that **
is the person who appeared before me, and said person acknowledged that he/she signed this
instrument, on oath stated that he/she was authorized to execute the instrument and
acknowledged it as **,
to be the free and voluntary act of such party for the uses and purposes mentioned in the
instrument.

DATED: April 4, 2003

Cheryl L. Olson
Notary Public

Typed/printed notary name: Cheryl L. Olson

Residing at: Sedro Woolley

My appointment expires: 6-20-06



EXHIBIT 'A'

Description:

PARCEL A:

Lot 1 of Skagit County Short Plat No. PL01-0296, approved August 13, 2001 and recorded August 14, 2001, under Auditor's File No. 200108140104, being a portion of the Southwest Quarter of the Northeast Quarter of Section 15, Township 35 North, Range 7 East of the Willamette Meridian.

PARCEL B:

An easement for ingress, egress and utilities as shown on the face of Skagit County Short Plat No. 93-071, approved October 21, 1994, and recorded November 3, 1994, in Volume 11 of Short Plats, page 135, under Auditor's File No. 9411030038, being a portion of the Southwest Quarter of the Northeast Quarter of Section 15, Township 35 North, Range 7 East of the Willamette Meridian.

PARCEL C:

An easement for road utilities, and right-of-way 60.00 feet wide by 185.00 feet long, more or less, in Government Lot 1, Section 15, Township 35 North, Range 7 East of the Willamette Meridian, being the West 60.00 feet of said Lot 1 lying between the Northerly right-of-way line of the Cape Horn County Road as conveyed to Skagit County by deed recorded May 12, 1967, under Auditor's File No. 698925, records of Skagit County, Washington, and the North line of said Government Lot 1;

And also, a tract of land 60.00 feet wide by 60.00 feet long in the Southwest corner of the Southeast Quarter of the Northeast Quarter of Section 15, Township 35 North, Range 7 East of the Willamette Meridian, more particularly described as follows:

Beginning at the Southwest corner of the Southeast Quarter of the Northeast Quarter of said Section 15;

thence North 88°45' East 60.00 feet;

thence North 01°35' West 60.00 feet;

thence South 88°45' West 60.00 feet;

thence South 01°35' East 60.00 feet to the point of beginning.

All situated in Skagit County, Washington.



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