

After recording return to:
Bendich, Stobaugh & Strong, P.C.
900 Fourth Avenue, Suite 3800
Seattle, WA 98164



200004240093

Kathy Hill, Skagit County Auditor
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DEED OF TRUST MODIFICATION AND SPREADING AGREEMENT

Grantor: Koffron, Koffron, Metzger and Christofersen, L.L.C.

Grantee: Evergreen Community Development Association, Beneficiary
The United States Small Business Administration, Assignee
Bendich, Stobaugh & Strong, P.C., Trustee

Legal description: Ptn Lot 4, Anacortes SP#95-002
Additional legal on pages 1 & 2 of document.

Tax Parcel ID #: 350230-2-223-0300

ISLAND TITLE COMPANY
A18467✓

THIS AGREEMENT is dated February 24, 2000, and is made and entered into by and between KOFFRON, KOFFRON, METZGER AND CHRISTOFERSEN, L.L.C., a Washington limited liability company (hereinafter referred to as "Grantor"), whose address is 762 Padilla Heights Road, Anacortes, WA 98221, EVERGREEN COMMUNITY DEVELOPMENT ASSOCIATION (hereinafter referred to as "Beneficiary"), whose address is 900 Fourth Avenue, Suite 2900, Seattle, WA 98164, in participation with the UNITED STATES SMALL BUSINESS ADMINISTRATION, an agency of the United States (hereinafter referred to as "SBA").

RECITALS

A. Evergreen Community Development Association is the Beneficiary of that certain Deed of Trust encumbering certain property in Skagit County, Washington, described as:

PARCELA

The North 160 feet of the East 151 feet of all that portion of Lot 4, lying West of "V" Place, as set forth on ANACORTES SHORT PLAT NO. 95-002 as approved June 6, 1995, and recorded August 30, 1995, in Volume 12 of Short Plats, pages 23 and 24, under Auditor's File No. 9508300041, records of Skagit County, Washington, being a portion of Tracts 3, 4 and 5, Plate 11, Anacortes Tide and Shorelands in Section 30, Township 35 North, Range 2 East of the Willamette Meridian.

which Deed of Trust is dated May 30, 1997, and was recorded in the official records of Skagit County, Washington on August 8, 1997 under Recording No. 9708080096 (hereinafter referred to as the "Deed of Trust"). An assignment for security to the SBA was made on July 30, 1997 and recorded in the official records of Skagit County, Washington on August 8, 1997 under recording No. 9708080098.

B. Grantor has now acquired certain other and additional real property, also in Skagit County, Washington, which is described as:

PARCEL B

The North 160 feet of all that portion of Lot 4, Anacortes Short Plat No. ANA 95-002, as approved June 6, 1995 and recorded August 30, 1995, Volume 12 of Short Plats, pages 23 and 24, under Auditor's File No. 9508300041, records of Skagit County, Washington, lying West of "V" Place as shown thereon; being a portion of Tracts 3, 4, and 5, Plate 11, Anacortes Tide and Shorelands in Section 30-35-2 East of the Willamette Meridian.
EXCEPT the East 151 feet thereof.

PARCEL C

All that portion of Lot 4, Anacortes Short Plat No. ANA 95-002, as approved June 6, 1995, and recorded August 30, 1995, Volume 12 of Short Plats, pages 23 and 24, under Auditor's File No. 9508300041, records of Skagit County, Washington, lying west of "V" Place as shown thereon; being a portion of Tracts 3, 4, and 5, Plate 11, Anacortes Tide and Shorelands in Section 30-35-2 East of the Willamette Meridian.
EXCEPT the North 160 feet thereof.
ALSO EXCEPT all that portion thereof lying Southeasterly of a line, parallel to and 50 feet Northwesterly of, as measured at right angles to the centerline of Street "A" as delineated on said Short Plat.

C. The parties desire now to modify and spread the Deed of Trust as hereinafter provided.

NOW, THEREFORE, in consideration of the foregoing, and the covenants contained herein, and the mutual benefits accruing to the said parties hereunder and as otherwise more fully described in the Deed of Trust, it is hereby agreed between them as follows:

1. The lien of the Deed of Trust is hereby spread to cover in its entirety Parcels B and C, as described above, and to that end, Grantor hereby irrevocably grants, bargains, sells and conveys to Bendich, Stobaugh & Strong, P.C., 900 Fourth Avenue, Suite 3800, Seattle, WA 98164, as Trustee, in trust, with power of sale, for the benefit of Beneficiary, the above-described Parcels B and C, which are not used principally or primarily for agricultural purposes, together with all improvements thereon and all tenements, hereditaments and appurtenances, now or hereafter thereunto belonging or in anywise appertaining, and the leases and other agreements for use and occupancy pertaining thereto, and the rents, issues and profits thereof, and all other property or rights of any kind or nature whatsoever further set forth in the said Deed of Trust; subject, however, to the right, power and authority given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing performance of each agreement, payment and undertaking secured by the Deed of Trust according to its terms. This shall not constitute an assignment causing acceleration of the Note. It is the intention of the



parties hereto that the Deed of Trust and this Agreement shall be construed as a single instrument, and the powers and duties of the Trustee named in the Deed of Trust (now succeeded by Bendich, Stobaugh & Strong, P.C.) and the rights of Beneficiary shall be the same as if the above-described Parcels Band C conveyed herein had originally been included in the Deed of Trust.

2. In addition to the defaults specified in the Note secured by this deed of trust, a default in the payment or performance of Grantor's obligations to Beneficiary for any other loan made or guaranteed by the SBA shall constitute a default, including SBA Loan No. CDC-236860-40-06-WA. In the event of any such default, Beneficiary shall have the right (a) to declare the secured obligations in default, and (b) to pursue its remedies under the loan documents relating to all such loans simultaneously.

3. Except insofar as herein expressly changed, all terms, covenants, and provisions of the Deed of Trust, and all loan documents relating thereto and obligations evidenced and secured thereby, shall remain in full force and effect and are hereby expressly ratified and confirmed by the parties hereto.

GRANTOR

KOFFRON, KOFFRON, METZGER AND CHRISTOFERSEN, L.L.C.,
a Washington limited liability company

By: _____

Lynn M. Christofersen
Its: Managing Member

BENEFICIARY

EVERGREEN COMMUNITY DEVELOPMENT ASSOCIATION

By: _____

Philip Eng
Its: President

ASSIGNEE

THE UNITED STATES SMALL BUSINESS ADMINISTRATION

By: _____

Its: Chief, Finance Division



STATE OF WASHINGTON)
) ss.
County of Skagit)

On the 24 day of February, ²⁰⁰⁰~~1999~~, before me personally appeared LYNN M. CHRISTOFERSEN, to me known (or proven on the basis of satisfactory evidence) to be the Managing Member of KOFFRON, KOFFRON, METZGER AND CHRISTOFERSEN, L.L.C., a Washington limited liability company, the limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act of such limited liability company for the uses and purposes therein mentioned, and on oath stated that she/he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Laura B Wood
NOTARY PUBLIC in and for the State of
Washington, residing at Oak Harbor
My commission expires: 3-5-02
Print Name: Laura B Wood

STATE OF WASHINGTON)
) ss.
County of King)

On the 19th day of APRIL, ~~1999~~, before me personally appeared Philip Eng, to me known (or proven on the basis of satisfactory evidence) to be the President of Evergreen Community Development Association, the corporation that executed the within the foregoing instrument, and acknowledged said instrument to be the free and voluntary act of such corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

Maureen F. McShea
NOTARY PUBLIC in and for the State of
Washington, residing at Seattle
My commission expires: 11-19-01
Print Name: MAUREEN F. MCSHEA

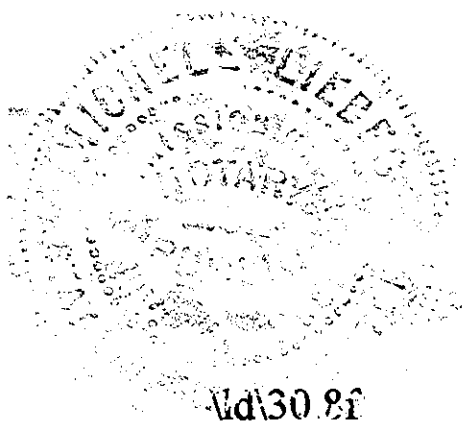
STATE OF WASHINGTON)
) ss.



County of King)

4/6/2000
On this day there personally appeared before me Mary Costello, to me known to be the Chief, ~~Portfolio Management~~ ^{Finance} Division, Seattle District Office, of the Small Business Administration, an Agency of the United States of America, and acknowledged to me that he executed the foregoing instrument as the free and voluntary act and deed of the Small Business Administration for the uses and purposes therein mentioned, and on oath stated that he was duly and regularly authorized to execute the same on its behalf.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Michele Lieber
NOTARY PUBLIC in and for the State of
Washington, residing at Mercer Island
My commission expires: Nov. 1, 2001
Print Name: Michele Lieber



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Kathy Hill, Skagit County Auditor
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