

RETURN ADDRESS:

PACIFICA BANK
10900 N.E. 4TH STREET, SUITE 200
BELLEVUE, WA 98004



200007280030

Kathy Hill, Skagit County Auditor
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FIRST AMERICAN TITLE CO.
m 7339-1

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 199912280095

Additional on page _____

Grantor(s):

1. SEACREST REAL ESTATE DEVELOPMENT, L.L.C.

Grantee(s)/Assignee/Beneficiary:

PACIFICA BANK, Beneficiary

First American Title Company of Skagit County, Trustee

Legal Description: LOTS 3 AND 4, SURVEYS, VOL. 21, PAGES
187-188; BEING A PORTION OF LOTS 2-6, BLOCK 1401,
"NORTHERN PACIFIC ADDITION TO ANACORTES"

Additional on page _____

Assessor's Tax Parcel ID#: 3809-401-010-0104 (R58373) & 350123-0-004-0205 (R31718)

THIS MODIFICATION OF DEED OF TRUST IS DATED JULY 7, 2000, BETWEEN SEACREST REAL ESTATE DEVELOPMENT, L.L.C., whose address is 2306 35TH COURT, ANACORTES, WA 98221, A WASHINGTON LIMITED LIABILITY COMPANY (referred to below as "Grantor"); ; and PACIFICA BANK (referred to below as "Lender"), whose address is 10900 N.E. 4TH STREET, SUITE 200, BELLEVUE, WA 98004.

MODIFICATION OF DEED OF TRUST
(Continued)

DEED OF TRUST. Grantor and Lender have entered into a Deed of Trust dated December 23, 1999 (the "Deed of Trust") recorded in Skagit County, State of Washington as follows:

**THE DEED OF TRUST RECORDED ON DECEMBER 28, 1999, UNDER RECORDING NUMBER 199912280095
RECORDS OF SKAGIT COUNTY, WASHINGTON**

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property (the "Real Property") recorded in Skagit County, State of Washington:

SEE SCHEDULE "A" ATTACHED HERETO AND BY THIS REFERENCE INCORPORATED HEREIN

The Real Property tax identification number is 3809-401-010-0104 (R58373) & 350123-0-004-0205 (R31718).

MODIFICATION. Grantor and Lender hereby modify the Deed of Trust as follows:

The word "Note" is amended to read: The Note dated July 7, 2000, in the original principal amount of \$1,324,750.00 from Borrower and any co-borrowers to Lender, together with all renewals, extensions, modifications, refinancings, and substitutions for the Note. **NOTICE TO GRANTOR: THE NOTE CONTAINS A VARIABLE INTEREST RATE**

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Deed of Trust (the "Note"). It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers and endorers to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification but also to all such subsequent actions.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

By: _____

JOHN RANDY COX, MANAGER/MEMBER

By: _____

VINCENT F. VENTIMIGLIA, MEMBER

LENDER:

PACIFICA BANK

By: _____

Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WASHINGTON)

COUNTY OF SKAGIT) SS

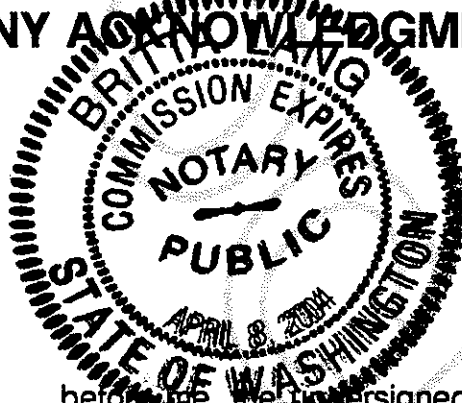
On this 27th day of JULY, 2000, before me, undersigned Notary Public, personally appeared **JOHN RANDY COX, MANAGER/MEMBER; and VINCENT F. VENTIMIGLIA, MEMBER**, and personally known to me or proved to me on the basis of satisfactory evidence to be members or designated agents of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

By: _____

Notary Public in and for the State of WA

Residing at ANACORTES, WA

My commission expires APRIL 8, 2004



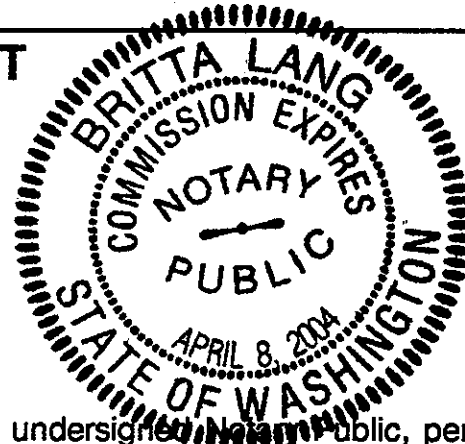
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Kathy Hill, Skagit County Auditor

MODIFICATION OF DEED OF TRUST
(Continued)

LENDER ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss
COUNTY OF SKAGIT)



On this 27th day of JULY, 2000, before me, the undersigned Notary Public, personally appeared LARRY HOWK, and personally known to me or proved to me on the basis of satisfactory evidence to be the VICE PRESIDENT OF PACIFICA BANK, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By [Signature]
Notary Public in and for the State of WA

Residing at ANACORTES WA
My commission expires APRIL 8, 2004

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SCHEDULE "A"

Lot No. 1 of Survey, recorded April 23, 1999 under Auditor's File No. 9904230058 in Volume 21 of Surveys, at pages 187 and 188, more particularly described as follows:

Lots 8, 9 and 10, and the West 10.00 feet of Lot 7, of Block 1401, "NORTHERN PACIFIC ADDITION TO ANACORTES", according to the Plat thereof, recorded in Volume 2 of Plats, page 9, records of Skagit County, Washington

TOGETHER WITH the following described parcel:

Commencing at the Northwest corner of Lot 7, Block 1401 of said Northern Pacific Addition to Anacortes; thence North 69 degrees 42'24" East along the North line of said Lot 7, a distance of 10.00 feet to the true point of beginning; thence North 20 degrees 17'36" West a distance of 135.00 feet, more or less, to a point 15 feet distant, Southeasterly, measured at right angles from the centerline of the railway of said Great Northern Railway Company as located and constructed on March 8, 1940; thence South 65 degrees 28'03" West along said Great Northern right of way margin a distance of 20.76 feet to the West line of Section 23, Township 35 North, Range 1 East, W.M.; thence South 0 degrees 10'01" West along said West line of Section 23, a distance of 148.59 feet to the Northwesterly boundary of said Block 1401; thence Northeasterly along said Northwesterly boundary of Block 1401, a distance of 72.83 feet to the true point of beginning

AND ALSO TOGETHER WITH the following described parcel:

Lot No. 2 of Survey, recorded April 23, 1999 under Auditor's File No. 9904230058 in Volume 21 of Surveys, at pages 187 and 188, more particularly described as follows:

A portion of Lots 3, 4, 5, 6 and 7 of Block 1401, "NORTHERN PACIFIC ADDITION TO ANACORTES", according to the Plat thereof recorded in Volume 2 of Plats, page 9, records of Skagit County, Washington, and portions of the abandoned Great Northern Pacific Railway right of way, being more particularly described as follows:

Beginning at a point on the South line of Lot 7, lying 10 feet Easterly as measured perpendicular to the West line of said Lot 7; thence North 69 degrees 42'24" East along the South line of said Block 1401, a distance of 120.00 feet to a point on the South line of said Lot 3, lying 10 feet Easterly; as measured perpendicular to the West line of said

Lot 3; thence North 20 degrees 17'36" West parallel to and 10 feet Easterly as measured perpendicular, to the West line of said Lot 3, a distance of 127.63 feet; thence South 69 degrees 42'24" West a distance of 90.00 feet; thence North 20 degrees 17'36" West a distance of 48.8 feet, more or less, to the North boundary of said Lot 6; thence continuing North 20 degrees 17'36" West a distance of 135.3 feet, more or less, to a point 15 feet distant Southeasterly, measured at right angles from the centerline of the railway of said Great Northern Railway Company, as located and constructed on March 6, 1940; thence Southwesterly along said right of way margin a distance of 30 feet, more or less, to a point lying North 20 degrees 17'36" West from the point of beginning; thence South 20 degrees 17'36" East a distance of 309.67 feet to the point of beginning.



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