

**RETURN ADDRESS:**

Washington Mutual Bank  
Burlington Business  
Banking Center  
720 South Burlington  
Boulevard  
Burlington, WA 98233



200205220028

Skagit County Auditor

5/22/2002 Page 1 of 3 10:09AM

**MODIFICATION OF MORTGAGE**

Reference # (if applicable): 200104230087

Additional on page \_\_\_\_

Grantor(s):

1. Staffanson Farms, Inc.

Grantee(s)

1. Washington Mutual Bank

Legal Description: The portion of the SE 1/4 of Sec 5, Twp 33 N, Range 3 E, W.M.

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Assessor's Tax Parcel ID#: P 15464, P 15473, P 15470 and P 15469

**THIS MODIFICATION OF MORTGAGE dated May 9, 2002, is made and executed between Staffanson Farms, Inc., a Washington Corporation, whose address is 12918 Dodge Valley Road, Mount Vernon, WA 98273 (referred to below as "Grantor") and Washington Mutual Bank, whose mailing address is 720 South Burlington Boulevard, Burlington, WA 98233 (referred to below as "Lender").**

MODIFICATION OF MORTGAGE  
(Continued)

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**MORTGAGE.** Lender and Grantor have entered into a Mortgage dated April 9, 2001 (the "Mortgage") which has been recorded in Skagit County, State of Washington, as follows:

Recorded April 23, 2001 as Instrument No. 200104230087 in Skagit County, Washington, as modified from time to time.

**REAL PROPERTY DESCRIPTION.** The Mortgage covers the following described real property located in Skagit County, State of Washington:

That portion of the Southeast 1/4 of Section 5, Township 33 North, Range 3 East, W.M., lying Southerly and Southwesterly of the County road which follows the base of a highland (Dodge Valley Road), EXCEPT drainage ditch right of way, AND EXCEPT road along the West line of said subdivision

The Real Property or its address is commonly known as Bare Land, Mount Vernon, WA 98273. The Real Property tax identification number is P 15464, P 15473, P 15470 and P 15469.

**MODIFICATION.** Lender and Grantor hereby modify the Mortgage as follows:

The word "Note" is amended to include the Promissory Note dated May 9, 2002, in the original principal amount of \$950,000.00, from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancing of, consolidations of, and substitutions for the Promissory Note or Agreement.

Effective May 9, 2002, the Amount of the Mortgage of even date herewith is hereby increased to \$950,000.00.

**CONTINUING VALIDITY.** Except as expressly modified above, the terms of the original Mortgage shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Mortgage 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 Mortgage (the "Note"). It is the intention of Lender to retain as liable all parties to the Mortgage and all parties, makers and endorsers 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 Mortgage 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.

**GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF MORTGAGE AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF MORTGAGE IS DATED MAY 9, 2002.**

**GRANTOR:**

STAFFANSON FARMS, INC.

By: Craig Staffanson  
Craig Staffanson, President of Staffanson Farms, Inc.

By: Larry R. Jensen  
Larry R. Jensen, Vice President/Treasurer of Staffanson Farms, Inc.

By: Jocelyn Staffanson  
Jocelyn Staffanson, Secretary of Staffanson Farms, Inc.

**LENDER:**

x Bryan W. Dorel  
Authorized Signer

**CORPORATE ACKNOWLEDGMENT**

STATE OF Washington )  
COUNTY OF Skagit ) SS  
)

On this 10 day of May, 2002, before me, the undersigned Notary Public, personally appeared Craig Staffanson, President of Staffanson Farms, Inc., and personally known to me or proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the Modification of Mortgage and acknowledged the Modification to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By: Sarah L. K.  
Notary Public in and for the State of WA

Mr. Vernon  
Residing at Sedro Woolley  
My commission expires 1-9-03  
3-11-06



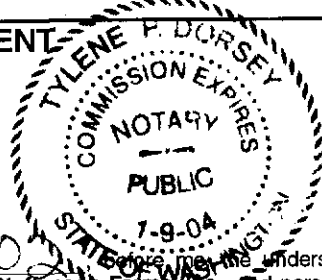
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MODIFICATION OF MORTGAGE  
(Continued)

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CORPORATE ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF Skaagit )



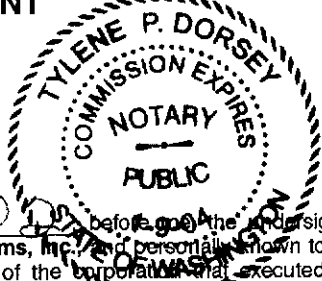
On this 10th day of May, 2002, before me, the undersigned Notary Public, personally appeared Larry R. Jensen, Vice President/Treasurer of Staffanson Farms, Inc. and personally known to me or proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the Modification of Mortgage and acknowledged the Modification to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By Tylen P. Dorsey  
Notary Public in and for the State of Washington

Residing at Sedro Woolley  
My commission expires 1-9-04

CORPORATE ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF Skaagit )



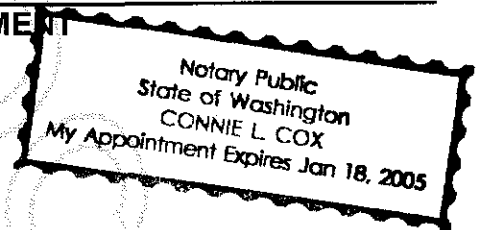
On this 10th day of May, 2002, before me, the undersigned Notary Public, personally appeared Jocelyn Staffanson, Secretary of Staffanson Farms, Inc. and personally known to me or proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the Modification of Mortgage and acknowledged the Modification to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By Tylen P. Dorsey  
Notary Public in and for the State of Washington

Residing at Sedro Woolley  
My commission expires 1-9-04

LENDER ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF Skaagit )



On this 15th day of May, 2002, before me, the undersigned Notary Public, personally appeared Bryan McQuill and personally known to me or proved to me on the basis of satisfactory evidence to be the 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 Connie L. Cox  
Notary Public in and for the State of Wa

Residing at Sedro Woolley  
My commission expires 1-18-2005



200205220028  
Skagit County Auditor