

AFTER RECORDING RETURN TO:

Phillip E. Joseph
BALL JANIK LLP
101 SW Main, Suite 1100
Portland, OR 97204
(503) 228-2525



200207310125

Skagit County Auditor

7/31/2002 Page 1 of 5 12:09PM

ISLAND TITLE CO. APPOINTMENT OF SUCCESSOR TRUSTEE

LG 22838

KNOW ALL MEN BY THESE PRESENTS:

Sunset Cove Development, LLC is the Grantor, Sterling Savings Bank is the Beneficiary, and Island Title Company is the Trustee under that certain Deed of Trust, dated December 19, 1999, and recorded on December 30, 1999 under Auditor's No. 199912300186 and re-recorded January 21, 2000 under Auditor's No. 200001210097, in the property records of Skagit County, Washington (the "Deed of Trust").

The Deed of Trust relates to real property described in the attached Exhibit A.

*Sterling Savings Bank

The undersigned desires to appoint a new trustee in the place and stead of the original trustee named above.

NOW THEREFORE, the undersigned hereby appoints Phillip E. Joseph of Ball Janik LLP, whose address is 101 SW Main Street, Suite 1100, Portland, Oregon 97204, as Successor Trustee under the Deed of Trust. The Successor Trustee shall have all the powers

Sterling/Sunset Cove
12/19/99 Note
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of the original Trustee, effective immediately.

DATED this 30th day of July, 2002.

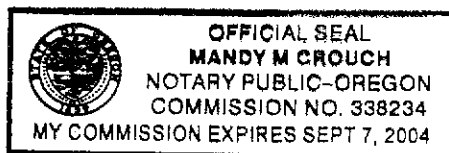
STERLING SAVINGS BANK

By: [Signature]
Jeffrey C. Gardner
Its: Attorney

STATE OF OREGON)
) ss.
County of Multnomah)

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

DATED this 30th day of July, 2002.



Mandy M Crouch
Notary Public for Oregon
My commission expires: 9/7/04

Sterling/Sunset Cove



200207310125

Skagit County Auditor

SA-19358

EXHIBIT "A"

PARCEL A:

Lots 9, 10, 11, 12, 13, 14, 15, and 16, Block 2; Lots 1, 2, 3, 4, 5, 6, 7, 8, Block 3; Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, Block 6; Lot 16, Block 7; Lots 1, 2, 3, 4, 5, and 6, Block 11; Lots 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, Block 11; all in PLAT OF WOODS ADDITION TO ANACORTES, according to the plat thereof recorded in Volume 4 of Plats, page 35, records of Skagit County, Washington;

EXCEPT that portion of Lots 11 through 19, inclusive, Block 11, conveyed to the City of Anacortes by deed recorded April 6, 1959, under Auditor's File No. 578657.

PARCEL B:

All that portion of the South 15 1/2 acres of Government Lot 2, Section 21, Township 35 North, Range 1 East of the Willamette Meridian, City of Anacortes, Skagit County, Washington, being more particularly described as follows:

Commencing at the Southwest corner of said South 15 1/2 acres of Government Lot 2, as said point is shown on that certain record of survey recorded in Book 11 of Surveys at pages 161 and 162, under Auditor's File No. 9108270107, in the Auditor's Office of Skagit County, Washington;
thence North 89°40'16" East along the South line of said South 15 1/2 acres, a distance of 30.01 feet to the Southerly extension of the Westerly line of that certain tract of land conveyed to Boris Olich and Ann B. Olich, husband and wife, by instrument dated March 16, 1964, and recorded March 27, 1964, under Auditor's File No. 648412, records of said county and state, said point being the true point of beginning;
thence North 18°00'16" East along said Southerly extension, a distance of 31.60 feet to the Southwest corner of said Olich tract;
thence North 89°40'16" East along the South line of said Olich tract, a distance of 120.00 feet to the Southeast corner thereof;
thence North 18°00'16" East along the East line of said Olich tract, a distance of 80.00 feet to the Northeast corner thereof;
thence North 85°41'05" West along the North line thereof for a distance of 4.37 feet;
thence North 07°16'24" East a distance of 35.33 feet;
thence North 85°22'39" West a distance of 110.33 feet to the Northerly extension of the West line of said Olich tract;
thence North 70°42'09" West a distance of 73.87 feet to the West line of said South 15 1/2 acres of Government Lot 2;
thence North 0°45'59" East along said West line, a distance of 21.47 feet;

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200207310125

Skagit County Auditor

SA-19358

EXHIBIT "A"


Page 2, Parcel B continued

thence North 13°33'37" East a distance of 43.16 feet to the beginning of a curve to the right, said curve having a radius of 449.28 feet;
thence Northeasterly, following said curve to the right through a central angle of 41°43'14" for an arc distance of 327.15 feet to the North line of said South 15 1/2 acres of Government Lot 2;
thence North 89°40'16" East along said North line, a distance of 1,139.22 feet to the Northeast corner of said South 15 1/2 acres;
thence South 00°45'59" West a distance of 479.40 feet to the Southeast corner of said South 15 1/2 acres;
thence South 89°40'16" West along the South line of said South 15 1/2 acres, a distance of 1,296.12 feet to the true point of beginning.

ALSO all those portions of the South 15 1/2 acres of Government Lot 2 and that portion of Government Lot 3, all in Section 21, Township 35 North, Range 1 East of the Willamette Meridian, City of Anacortes, Skagit County, Washington, being more particularly described as follows:

Commencing at the Southwest corner of said South 15 1/2 acres of Government Lot 2, as said point is shown on that certain record of survey recorded in Book 11 of Surveys at pages 161 and 162, under Auditor's File No. 9108270107, in the Auditor's Office of Skagit County, Washington;
thence North 0°45'59" East along the West line of said South 15 1/2 acres, a distance of 13.73 feet to the South line of that certain tract of land deeded to Harold Harker and Nadene L. Harker, husband and wife, by deed recorded May 13, 1971 under Auditor's File No. 752522, records of said county and state;
thence North 89°56'55" East along said South line, a distance of 26.41 feet to the Southeast corner of said Harold Harker Tract;
thence North 18°16'55" East along the East line of said Harold Harker Tract, a distance of 91.18 feet to the Northeast corner thereof;
thence South 89°40'16" West along the North line of said Harold Harker Tract, a distance of 31.66 feet to the most Easterly corner of that certain tract of land deeded to Howard D. Harker and Joann Harker, husband and wife, by deed recorded September 13, 1991 under Auditor's File No. 9109130047, records of said county and state;
thence Westerly along the Northerly line of said Howard D. Harker

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200207310125
Skagit County Auditor
7/31/2002 Page 4 of 5 12:09PM

SA-19358

EXHIBIT "A"

Page 3, Parcel B continued

Tract for the following courses;

North 23°05'19" West a distance of 26.72 feet;

South 46°58'38" West a distance of 36.34 feet;

South 89°40'16" West a distance of 10.38 feet;

North 1°00'37" East a distance of 10.94 feet;

North 72°59'14" West a distance of 9.66 feet to the true point of beginning;

thence continuing North 72°59'14" West a distance of 80.77 feet;

thence South 33°59'14" West a distance of 45.88 feet to the North line of said Harold Harker Tract;

thence South 89°40'16" West along said North line, a distance of 33.64 feet to the Westerly line of said Government Lot 3;

thence North 30°14'27" East along said Westerly line, a distance of 430.25 feet;

thence North 65°59'28" East along said Westerly line, a distance of 22.04 feet to the North line of said South 15 1/2 acres of Government Lot 2;

thence North 89°40'16" East along said North line, a distance of 92.02 feet to a point on a curve to the left, the center of which bears South 38°08'23" East and is 469.28 feet distant;

thence Southwesterly, following said curve to the left through a central angle of 38°18'00", for an arc distance of 313.69 feet to the end of said curve;

thence South 13°33'37" West for a distance of 110.62 feet to the true point of beginning.

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



200207310125
Skagit County Auditor
7/31/2002 Page 5 of 5 12:09PM