Return Address:
Northwest Farm Credit Services, FLCA
PO Box 307
Mount Vernon, WA 98273

Please print neatly or type information

LAND TITLE COMPANY OF SKAGIT COUNTY 104973

Document 1 Title: Mortgage
Reference #s: ____

Additional Reference #s on page

Grantors:	**Grantees:**
RC Koudal Land Co. Hedlin, David B.	Northwest Farm Credit Services, FLCA
Additional grantors on page 2	Additional grantees on page ____

Document 2 Title:
Reference #s: ____

Additional Reference #s on page __

Grantors:	**Grantees:**
Additional grantors on page ____	Additional grantees on page ____

Legal description (abbreviated form: i.e. lot, blk, plat or S,T,R quarter/quarter):

a ptn of Gov. Lot 1 & SW1/4 of NW1/4, 9-33-3 EWM.
a ptn of E1/2 of SE1/4, 36-34-2 EW.M. & of Gov. Lots 3 & $, 31-34-3 EWM.

Additional legal is on page 2

Assessor's Property Tax Parcel/Account Numbers:
330309-0-018-0108; 340231-0-010-0004; 340236-0-014-0000; 340236-0-021-0001; 340236-0-024-0008 and 340236-0-026-0006.
Property I.D. Nos.: P15571, P20870, P20872, P20877, P20880 and P20882.

Customer/Note No: 30984 - 441

After Recording Return to: Farm Credit Services - Mount Vernon
2120 Freeway Drive
PO Box 307
Mount Vernon, WA 98273

Mortgage

On March 6, 2003, R C Koudal Land Co., a partnership, consisting of David B. Hedlin, Serena Campbell, John P. Baker, Mary M. Hedlin, and Carol Hedlin; David B. Hedlin and Serena Campbell, husband and wife, John P. Baker and Mary M. Hedlin, same person as Mary Margaret Hedlin, husband and wife, Carol Hedlin, same person as Carol Ottesen, a single person, The Estate of Elizabeth C. Hedlin, deceased, hereinafter called Mortgagors, whose address is

PO Box 496
LaConner, WA 98257

grant, convey, warrant, transfer and assign to Northwest Farm Credit Services, FLCA, a corporation organized under the Farm Credit Act of 1971, as amended, hereinafter called Mortgagee, whose address is 1700 South Assembly Street, P.O. Box 2515, Spokane, Washington 99220-2515, a mortgage and security interest in property in Skagit County(ies), State of Washington, more particularly described as follows:

PARCEL "A":
That portion of Government Lot 1, and of the Southwest ¼ of the Northwest ¼, Section 9, Township 33 North, Range 3 East, W.M., more particularly described as follows:

Beginning at the West ¼ corner of said Section 9; thence North 0°10'58" East along the West line of said Section, 50.34 feet;
thence North 89°43'16" East, parallel with the North line of Government Lot 1 of said Section, 1,113.69 feet;
thence South 0°35'10" West, parallel with the West line of said Lot 1, 1,404 feet, more or less, to the North bank of the North Fork of the Skagit River;
thence Westerly along said bank, 1,193 feet, more or less, to the West line of said Government Lot 1;
thence North 0°35'10" East along said West line 980 feet, more or less, to the point of beginning.

Situate in the County of Skagit, State of Washington.

PARCEL "B":
A portion of the Southwest ¼ of the Northwest ¼ of Section 9, Township 33 North, Range 3 East, .W.M., described as follows:

Beginning at a point on the West line of said subdivision, 50.34 feet North of the Southwest corner thereof;
thence North 89°43'16" East parallel with the South line of said subdivision, 1113.69 feet to the East line of that certain tract of land conveyed to Thomas Denis by deed dated May 19, 1900 and filed in Volume 38 of Deeds, at page 581 under Auditor's File No. 33472;
thence North 0°35'10" East along the East line of said Denis Tract 127.22 feet;
thence following an existing drainage ditch, North 75°55'27" West a distance of 264.31 feet; and South 88°53'57" West a distance of 338.46 feet; and South 83°58'49" West a distance of 522.66 feet to the West line of said Southwest ¼ of the Northwest ¼ ;
thence South 0°10'58" West along the West line of said subdivision, 135.61 feet to the point of beginning.

EXCEPT that portion of the above described tract lying within those tracts of land conveyed to Drainage District No. 22 by deed dated November 22, 1928, and filed in Volume 150 of Deeds, at page 313 under Auditor's File No. 220701.

Situate in the County of Skagit, State of Washington.

PARCEL "C":
1.) That portion of the East ½ of the Southeast ¼ of Section 36, Township 34 North, Range 2 East, W.M., and that portion of Government Lot 3 in Section 31, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at the Southeast corner of Block 23, "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.," as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington;

thence North 30°12' East 554.16 feet;
thence South 59°48' East 726.96 feet to the Government meander line;
thence along said meander line South 7°24' East 400 feet;
thence South 4°47' East 282.4 feet;
thence North 59°48' West 1,134.5 feet, more or less, to the point of beginning.

2.) That portion of the East ½ of the Southeast ¼ of Section 36, Township 34 North, Range 2 East, W.M., and that portion of Government Lots 3 and 4 of Section 31, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at a point 117.1 feet East of the Southwest corner of said Section 31;
thence East 689.9 feet to the Government meander line;
thence along said meander line North 37°01' East 20 feet;
thence North 8°37' East 321 feet;
thence North 8°18' West 217.5 feet;
thence North 59°48' West 1,611.9 feet;
thence South 30°12' West 833.4 feet;
thence South 59°48' East 1,268.4 feet to the point of beginning,

EXCEPT any portion contained in a Deed to Sam Cram et ux, recorded July 22, 1968, under Auditor's File No. 716155, records of Skagit County, Washington.

3.) That portion of the East ½ of the Southeast ¼ of Section 36, Township 34 North, Range 2 East, W.M., described as follows:

Beginning at the Southeast corner of Block 23 of "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.," as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington;
thence South 59°48' East 250 feet;
thence South 30°12' West 295.5 feet to the true point of beginning of this description;
thence South 59°48' East 125 feet;
thence South 30°12' West 296 feet;
thence North 59°48' West 125 feet;
thence North 30°12' East parallel with the Easterly line of said "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.", 296 feet, more or less, to the point of beginning.

4.) That portion of the East ½ of the Southeast ¼ of Section 36, Township 34 North, Range 2 East, W.M. and that portion of Government Lots 3 and 4 in Section 31, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at the Southeast corner of Block 23, "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.," as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington;
thence South 59°48' East 375 feet;
thence South 30°12' West 295.5 feet to the true point of beginning of this description;
thence South 59°48' East 1,117.6 feet to the Government meander line;
thence along said meander line South 28°24' East 243.7 feet;
thence South 13°56' East 200 feet;
thence South 8°18' East 32.5 feet;
thence North 59°48' West 1,486.9 feet;
thence North 30°12' East parallel with the Easterly line of said "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.", 296.0 feet to the point of beginning.

5.) That portion of the East ½ of the Southeast ¼ of Section 36, Township 34 North, Range 2 East, W.M., described as follows:
Beginning at the Northeast corner of Block 24, "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH." as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington;
thence South 30°12' West along the Southeasterly boundary of said Block 24, 425 feet;
thence South 59°48' East 250 feet;
thence North 30°12' East 425 feet;
thence North 59°48' West 250 feet to the point of beginning.

6.) That portion of the East ½ of Section 36, Township 34 North, Range 2 East, W.M., and that portion of Government Lots 2 and 3 of Section 31, Township 34 North, Range 3 East, W.M., described as follows:

Beginning at the quarter corner between said Sections 36 and 31;
thence North 89°44' West 90 feet, more or less, to the Easterly line of "MAP OF SYNDICATE

ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.," as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington;
thence South 30°12' West along the Easterly line of said Addition to a point that is South 30°12' West 165.07 feet from the Northeast corner of Block 22 of said "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.," as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington;
thence South 59°48' East 726.96 feet to the Government meander line;
thence along said meander line North 6°42' East 487.12 feet;
thence North 12°52' East 15.73 feet;
thence North 0°12'52" East 48.06 feet;
thence North 38°33' West to the South line of the County road;
thence Westerly along the South line of said County road to the West line of said Section 31;
thence South along said West line to the point of beginning,

EXCEPT any portion thereof lying within the boundaries of existing road rights of way,

AND ALSO EXCEPT that portion of Government Lot 2, described as follows:

Beginning at the intersection of the South line of the LaConner-Pleasant Ridge County Road with the West line of said Section 31;
thence East along the South line of said County road 110 feet;
thence South 100 feet, more or less, to the South line of said Government Lot 2;
thence West along the South line of said Lot 2, 110 feet to the West line of said Section;
thence North 100 feet, more or less, to the point of beginning.

7.) That portion of the East ½ of the Southeast ¼ of Section 36, Township 34 North, Range 2 East, W.M., described as follows:
Beginning at the Southeast corner of Lot 3, Block 27, "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.," as per plat recorded in Volume 2 of Plats, page 109, records of Skagit County, Washington;
thence Northerly parallel with Maple Avenue, 425 feet to a point 25 feet North 30°12' East from the Northeast corner of Tract IIII of "MAP OF SYNDICATE ADDITION TO THE TOWN OF LA CONNER, SKAGIT CO., WASH.";
thence at right angles Southeasterly 250 feet;
thence Southwesterly parallel with Maple Avenue, 425 feet to a point 250 feet distant at right angles from the point of beginning;
thence Northwesterly 250 feet to the point of beginning.

Situate in the County of Skagit, State of Washington.

Tax Account Nos.: 330309-0-018-0108; 340231-0-010-0004; 340236-0-014-0000; 340236-0-021-0001; 340236-0-024-0008 and 340236-0-026-0006.
Property I.D. Nos.: P15571, P20870, P20872, P20877, P20880 and P20882.

and including all rents, issues, profits, buildings and improvements thereon and in all tenements, hereditaments, rights, privileges, easements, rights of way and appurtenances, (including without limitation private roads, grazing privileges, water rights, ditches and conduits and rights of way therefor, all plumbing, lighting, heating, cooling, ventilating, elevating, and irrigating apparatus and other equipment and fixtures, now or hereafter belonging to or used in connection therewith), all of which is hereinafter called the "Property."

The following described Note(s), Membership Agreements, security documents and any other documents or instruments signed in connection with the Note(s) and security documents and any amendments thereto are collectively called the "Loan Documents." "Advances" shall include any amounts provided to Mortgagor under the terms of the Loan Documents and any amounts expended by Mortgagee to protect the Property or enforce its rights under the Loan Documents. This conveyance is intended to secure performance of the covenants and agreements contained herein, and in any Loan Documents, and payment of the indebtedness under the terms of the Note(s) made by Mortgagors to the order of Mortgagee, with interest and charges as provided therein and in the Loan Documents, and any extensions, modifications or renewals thereof:

DATE OF NOTE	PRINCIPAL AMOUNT	FINAL INSTALLMENT DATE
March 6, 2003	$130,000.00	January 1, 2018

The terms of the Note(s) and Loan Documents, described above, provide that the interest rate, payment terms or amounts due may be indexed, adjusted, renewed or renegotiated.

Mortgagors and each of them REPRESENT, WARRANT, COVENANT and AGREE:

1. That they have title to the Property free from encumbrances, except as described above, they have good right and lawful authority to convey and encumber the same; they will warrant and defend the same forever against the lawful claims and demands of all persons whomsoever; and they agree this covenant shall not be extinguished by foreclosure or other transfers. Mortgagor authorizes Mortgagee to file a financing statement and any continuations thereof, describing any personal property or fixtures described herein, without further signature by Mortgagor.

2. To keep all buildings and other improvements, now or hereafter existing, in good repair, not to remove or demolish or permit the removal or demolition of any building or other improvement; to restore promptly in a good and workmanlike manner, any building or improvement, which may be damaged or destroyed; to maintain and cultivate the Property in a good and husbandlike manner, using approved methods for preserving the fertility and productivity thereof; not to change or permit change in the use of the Property; and not to do anything which would reduce the value of the Property.

3. To maintain casualty insurance, naming Mortgagee as loss payee, on all buildings and improvements, against loss or damage by fire or other risks; to maintain liability insurance; to obtain flood insurance at any time it is determined that any building or improvement is located in whole or in part within a special flood hazard area; to pay all premiums and charges on all such insurance when due; and to provide Mortgagee satisfactory evidence of such insurance upon request. All such insurance shall be in such form(s), with such company(ies) and in such amount(s) as shall be satisfactory to Mortgagee.

4. Not to apply or enter into any federal, state, or local program which limits or restricts the use of the Property, in any way, without prior written consent of Mortgagee.

5. To pay all debts and money, secured hereby, when due; to pay, when due, all taxes, assessments, rents and other charges upon the Property and to suffer no other encumbrance, charge or lien on the Property, which would be superior to this mortgage, except as stated above.

6. To specifically assign and deliver to Mortgagee all rents, royalties, damages and payments of every kind, including without limitation insurance reimbursements and condemnation awards, at any time accruing, for any transfer, loss or seizure of the Property, any portion thereof or any rights therein; and Mortgagee may, at its option, apply such amounts in any proportion to any of the indebtedness hereby secured; and Mortgagee shall have the right to enter upon the Property to make full inspection of the Property.

7. To comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property and its use, including without limitation all environmental laws; not to use or permit the use of the Property for any unlawful or objectionable purpose or for any purpose that poses an unreasonable risk of harm, or that impairs or may impair the value of the Property, or any part thereof; not to apply residue from waste water treatment facilities to the Property without prior written notice to Mortgagee; to remedy any environmental contamination or violation of environmental laws that may occur or be discovered in the future; to allow Mortgagee access to the Property to inspect its condition and to test and monitor for compliance with applicable laws (any inspections or tests made by Mortgagee shall be for Mortgagee's purposes only and shall not be construed to create any responsibility or liability on the part of Mortgagee to Mortgagors or to any other person), to forward copies of any notices received from any environmental agencies to Mortgagee; to provide Mortgagee copies of any independent test or inspection reports on the environmental status of the Property; and to indemnify and hold Mortgagee, its directors, employees, agents and its successors and assigns, harmless from and against any environmental claims of any kind, and all costs and expenses incurred in connection therewith, including, without limitation, attorney's fees.

8. That neither Mortgagors nor, to the best of the Mortgagor's knowledge, any prior owner has created or permitted conditions on the Property, which may give rise to environmental liability; no enforcement actions are pending or threatened; no underground tanks are located on the Property except as already disclosed; any such underground tanks currently or previously located on the Property do not now and never have leaked and no contaminated soil is located on the Property; and Mortgagor's representations, warranties, covenants and indemnities herein and in the Loan Documents shall survive satisfaction of the Note(s) and Loan Documents, foreclosure of this mortgage, acceptance of a deed in lieu of foreclosure or any transfer or abandonment of the Property.

9. To perform all terms and conditions of each water or other contract, described above, if any, and to promptly pay all sums due or to become due under each contract so that no delinquency or default will occur under such contract(s); to perform all acts necessary to perfect and maintain any water permit, certificate, license or other water interest, however designated, described in or used in conjunction with the real property described above; any assignment of any such interest during the term of this mortgage, naming Mortgagee as an assignee shall be for security purposes and shall not alter Mortgagors' obligations hereunder; and any failure of Mortgagors to perform any such obligation shall constitute an event of default.

10. That the term "Grazing Rights," as hereinafter used refers to that portion of the Property, if any, consisting of grazing leases, permits, licenses, privileges, and preferences, or any of them, which have or will be assigned, mortgaged or waived to Mortgagee, together with any additions, renewals, replacements or substitutions thereof; if any portion of the Grazing Rights is a leasehold interest in state lands, such leasehold shall be considered to be real property; such leasehold and all other real property portions of the Property constitute a single operating unit; and in the event of foreclosure, Mortgagee shall have the right to have such leasehold and the other real property sold as a unit and not in parcels; any statements and representations in any applications for Grazing Rights are true and correct; Mortgagors have received no notice that the Grazing Rights have or are to be terminated, cancelled or modified; and any termination or cancellation of any of the Grazing Rights shall constitute an event of default under this mortgage.

11. To execute any instrument deemed necessary by the Mortgagee to assign, mortgage or waive such Grazing Rights to the Mortgagee; to pay all fees and charges, and to perform all acts and things necessary to preserve and keep in good standing the Grazing Rights; to take no action which would adversely affect the Grazing Rights; to procure renewals of the Grazing Rights upon or prior to their expiration date; to operate the lands covered by the Grazing Rights in conjunction with the other real estate portion of the Property and not to convey or attempt to convey either separately; to forward to Mortgagee copies of any notices received by Mortgagors regarding the Grazing Rights; and in the event of foreclosure of this mortgage, to waive all claims for preference in the Grazing Rights upon demand from the purchaser of the Property at foreclosure sale, or from any successor to such purchaser.

12. That if the Property is within an irrigation block and/or subject to water service contract(s) governed by the provisions of "Federal reclamation law," and the regulations issued thereunder, Mortgagors shall comply with the terms and provisions of said laws, regulations and contracts; Mortgagors, and each of them, for themselves, their heirs, successors and assigns, hereby appoint Mortgagee their attorney-in-fact to select and designate the portion of the Property to be subject to a recordable contract, in the event Mortgagors become subject to the excess land limitation; if Mortgagors fail to comply with the terms of said law, regulations or contracts, or if the delivery of water for the irrigation of the Property is discontinued in whole or in part, Mortgagors shall be in default; in the event the Bureau of Reclamation determines that continued drainage maintenance on the Property is no longer feasible, and Mortgagors purchase other lands offered as a preference purchase right (as an adjustment for wetlands), Mortgagors shall execute a supplemental mortgage on such lands in favor of the Mortgagee; and failure to execute such mortgage on demand, shall constitute an event of default.

13. That in the event of default in any of the covenants or agreements herein, or in any of the Loan Documents, Mortgagee may, at its option perform the same, in whole or in part; any advances, including, without limitation, attorney fees or costs, paid or incurred by Mortgagee to protect or enforce its rights under the Loan Documents, in bankruptcy, appellate proceedings or otherwise, shall be payable on demand and shall become a part of the indebtedness secured by this mortgage.

14. That the indebtedness and obligations secured by this mortgage are personal to the Mortgagors and are not assignable by Mortgagors; Mortgagee relied upon the credit of Mortgagors, the interest of Mortgagors in the Property and the financial market conditions then existing when making this loan; if Mortgagors sell, transfer or convey or contract to sell, transfer or convey the Property, or any portion thereof, or if the ownership of any corporation or partnership, owning all or any portion of the Property shall be changed either by voluntary or involuntary sale or transfer or by operation of law, without prior written consent of Mortgagee, or if Mortgagors default in the payment of the indebtedness, or with respect to any warranty, covenant or agreement in the Loan Documents or if a receiver or trustee for any part of the Property is appointed, or if any proceedings under the bankruptcy or insolvency laws is commenced by or against Mortgagors, or if Mortgagors become insolvent, or if any action is commenced to foreclose or enforce a lien on any portion of the Property, then, Mortgagors shall be in default hereunder.

15. That time is of the essence and in the event of default, at Mortgagee's option, the entire indebtedness secured hereby shall forthwith become due and payable and bear interest at the rate set forth in the Loan Documents for delinquent payments; Mortgagee shall have the right to foreclose the lien of this mortgage, to have a receiver appointed in any court proceeding; to collect any rents, issues and profits from the Property and apply them against the indebtedness hereby secured and to exercise any rights and remedies available under the Uniform Commercial Code for the state in which the property is located; and reasonable notice if required by such Code shall be five (5) days.

16. That the failure of Mortgagee to exercise any right or option provided herein, at any time shall not preclude Mortgagee from exercising any of such rights at any other time; the covenants and agreements contained herein shall be binding on and inure to the benefit of the parties and their respective heirs, successors and assigns; all rights conferred on Mortgagee are cumulative and additional to any rights conferred by law; and if any provision is found to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof and the mortgage shall be construed as though such provision had been omitted.

17. That Mortgagors and each of them join in this instrument for the purpose of subjecting each of their right, title and interest, if any, in the Property, whether of record or otherwise and including any right to possession, to the lien of this mortgage.

18. That Mortgagor warrants that Mortgagor's chief executive office is located in the State of Washington; Mortgagor's state of residence is the State of Washington, and Mortgagor's exact legal name is as set forth herein.

R C Kondal Land Co., a partnership

By: David B. Hedlin
David B. Hedlin, a general partner

By: Serena Campbell
Serena Campbell, a general partner

By: John P Baker
John P. Baker, a general partner

By: Mary M. Hedlin
Mary M. Hedlin, a general partner

By: Carol Hedlin
Carol Hedlin, a general partner

David B. Hedlin
David B. Hedlin

Serena Campbell
Serena Campbell

John P Baker
John P. Baker

Mary M. Hedlin
Mary M. Hedlin

Carol Hedlin
Carol Hedlin

David B Hedlin
David B. Hedlin, Personal Representative for the Estate of Elizabeth C. Hedlin, deceased.

200303140203
Skagit County Auditor
3/14/2003 Page 7 of 12 3:33PM

STATE OF Washington)
)ss.
County of Skagit)

On this 6th day of March, 2003, before me personally appeared David B. Hedlin, to me known to be a partner in the partnership which executed the within instrument, and acknowledged that he/she executed the same as one of the partners and in the partnership name freely and voluntarily.

CORRINE REYNOLDS NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 7-9-2005

Corrine Reynolds
Printed name Corrine Reynolds
Notary Public for the State of Washington
Residing at LaConner
My commission expires 7-9-2005

STATE OF Washington)
)ss.
County of Skagit)

On this 6th day of March, 2003, before me personally appeared Serena Campbell, to me known to be a partner in the partnership which executed the within instrument, and acknowledged that he/she executed the same as one of the partners and in the partnership name freely and voluntarily.

CORRINE REYNOLDS NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 7-9-2005

Corrine Reynolds
Printed name Corrine Reynolds
Notary Public for the State of Washington
Residing at LaConner
My commission expires 7-9-2005

STATE OF Washington)
)ss.
County of Skagit)

On this 6th day of March, 2003, before me personally appeared John P. Baker, to me known to be a partner in the partnership which executed the within instrument, and acknowledged that he/she executed the same as one of the partners and in the partnership name freely and voluntarily.

SANDRA LEE MEYER NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 11-19-05

Sandra Lee Meyer
Printed name Sandra Lee Meyer
Notary Public for the State of Washington
Residing at Anacortes
My commission expires 19 NOV 2005

STATE OF Washington)
)ss.
County of Skagit)

On this 6th day of March, 2003, before me personally appeared Mary M. Hedlin, to me known to be a partner in the partnership which executed the within instrument, and acknowledged that he/she executed the same as one of the partners and in the partnership name freely and voluntarily.

CORRINE REYNOLDS NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 7-9-2005

Corrine Reynolds
Printed name Corrine Reynolds
Notary Public for the State of Washington
Residing at LaConner
My commission expires 7-9-2005

STATE OF Alaska)
)ss.
~~County of~~ First Judicial District)

On this 13th day of March, 2003, before me personally appeared Carol Hedlin, to me known to be a partner in the partnership which executed the within instrument, and acknowledged that he/she executed the same as one of the partners and in the partnership name freely and voluntarily.

Printed name Kevin J. Sullivan
Notary Public for the State of Alaska
Residing at Juneau
My commission expires 10/12/2003

STATE OF Washington)
)ss.
County of Skagit)

On this 6th day of March, 2003, before me personally appeared David B. Hedlin, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.

CORRINE REYNOLDS NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 7-9-2005

Corrine Reynolds
Printed name Corrine Reynolds
Notary Public for the State of Washington
Residing at LaConner
My commission expires 7-9-2005

STATE OF Washington)
)ss.
County of Skagit)

On this 6th day of March, 2003, before me personally appeared Serena Campbell, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.

CORRINE REYNOLDS COMMISSION EXPIRES NOTARY PUBLIC 7-9-2005 STATE OF WASHINGTON

Corrine Reynolds
Printed name Corrine Reynolds
Notary Public for the State of Wa
Residing at La Conner
My commission expires 7-9-2005

STATE OF Washington)
)ss.
County of Skagit)

On this 6th day of March, 2003, before me personally appeared John P. Baker, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.

SANDRA LEE MEYER COMMISSION EXPIRES NOTARY PUBLIC 11-19-05 STATE OF WASHINGTON

Sandra Lee Meyer
Printed name Sandra Lee Meyer
Notary Public for the State of Washington
Residing at Anacortes
My commission expires 19 Nov 2005

STATE OF Washington)
)ss.
County of Skagit.)

On this 6th day of March, 2003, before me personally appeared Mary M. Hedlin, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.

CORRINE REYNOLDS COMMISSION EXPIRES NOTARY PUBLIC 7-9-2005 STATE OF WASHINGTON

Corrine Reynolds
Printed name Corrine Reynolds
Notary Public for the State of Washington
Residing at La Conner
My commission expires 7-9-2005

STATE OF Alaska)
)ss.
~~County of~~ First Judicial District)

On this 13th day of March, 2003, before me personally appeared Carol Hedlin, to me known to be the person(s) described in and who executed the within instrument, and acknowledged that he/she executed the same as his/her free act and deed.

Printed name Kevin J. Sullivan
Notary Public for the State of Alaska
Residing at Juneau
My commission expires 10/12/2003

STATE OF Washington)
)ss.
County of Skagit)

On this 6th day of March, 2003, before me personally appeared David B. Hedlin, to me known to be the individual who executed the foregoing instrument as Personal Representative of the Estate of Elizabeth C. Hedlin, deceased, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute this instrument.

CORRINE REYNOLDS
COMMISSION EXPIRES
NOTARY
PUBLIC
7-9-2005
STATE OF WASHINGTON

Corrine Reynolds

Printed name Corrine Reynolds
Notary Public for the State of Washington
Residing at LaConner
My commission expires 7-9-2005

Mortgagee acknowledges that this mortgage is subject to a security interest in favor of CoBank, ACB (Bank) and by its acceptance hereof and pursuant to and in confirmation of certain agreements and assignments by and between Mortgagee and Bank, does assign, transfer and set over the same unto Bank, its successors and assigns, to secure all obligations of Mortgagee to Bank, provided that pursuant to such agreements and assignments Mortgagee has authority to perform all loan servicing and collection actions and activities hereunder, including, without limitation thereto, releasing in whole or in part and foreclosing judicially or otherwise this mortgage until the Bank, by instrument recorded in the office in which this mortgage is recorded, revokes such authority.