



200308210004

Skagit County Auditor

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Recording Requested by
and When Recorded Mail to:

U.S. Bank National Association
Suite 810
111 S.W. Fifth Avenue
Portland, Oregon 97204
Attention: Peggy Charmichael

**SECOND AMENDMENT OF DEED OF TRUST
(AND SECURITY AGREEMENT)**

This second amendment of deed of trust is between the following parties and encumbers the property described below:

Grantors:	ANACORTES, L.L.C.
Beneficiary:	U.S. BANK NATIONAL ASSOCIATION
Reference No. of Original Deed of Trust:	Document No. 9804300129
Partial Legal Description:	A portion of the S.E. ¼ of S.E. ¼ of S. 24 T 35 R1 E. W.M., all in Skagit County, Washington. Complete legal description on page 1.
Assessor's Parcel Numbers:	350124-0-091-0000 350124-0-091-0100 350124-0-091-0200

SECOND AMENDMENT OF DEED OF TRUST

This Second Amendment of Deed of Trust is entered into on July 28, 2003, between ANACORTES, L.L.C. ("Grantor"), and U.S. BANK NATIONAL ASSOCIATION ("U.S. Bank").

RECITALS

A. Grantor granted U.S. Bank a deed of trust dated April 30, 1998, which was recorded on April 30, 1998, in the records of Skagit County, Washington, as document no. 9804300129. That document, as subsequently amended, is referred to below as the "Deed of Trust."

B. The Deed of Trust encumbers the real property in the County of Skagit, State of Washington, described as follows:

Lots 1, 2 and 3, City of Anacortes Short Plat No. 91-005, approved October 24, 1991, recorded November 4, 1991, in Book 10 of Short Plats, pages 24 and 25, under Auditor's File No. 9111040088 and being a portion of the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 24, Township 35 North, Range 1 East, W.M.

C. The Deed of Trust was given to secure certain indebtedness described more particularly in the Deed of Trust. Grantor, among others, have requested certain modifications of such indebtedness. Grantor and U.S. Bank wish to amend the Deed of Trust to reflect their agreement that the lien created by the Deed of Trust in favor of U.S. Bank secures such modified indebtedness (and all modifications, amendments, and renewals thereof).

NOW, THEREFORE, the parties agree as follows:

1. The first sentence of paragraph 1 on page 4 of the Deed of Trust hereby is modified, amended, and restated as follows:

"Payment of indebtedness in the principal amount of \$9,199,799.23, with interest thereon, evidenced by that certain promissory note dated July 28, 2003 (the "Note"), executed by Grantor, which has been delivered to, and is made payable to the order of, Beneficiary and which, by this reference, are made a part hereof, and any and all modifications, amendments, extensions, and renewals thereof."

2. Grantor and U.S. Bank hereby confirm that references to the "Loan Agreement" in the Deed of Trust shall be references to the Second Amended and Restated Loan Agreement among Grantor, U.S. Bank, and others dated July 28, 2003, as such agreement may be modified from time to time.



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3. All other terms and conditions of the Deed of Trust shall remain in full force and effect. This first amendment shall have no effect upon the priority of the lien created by the Deed of Trust.

IN WITNESS WHEREOF, this first amendment of deed of trust has been executed by Grantor and U.S. Bank as of the date first written above.

U.S. BANK NATIONAL ASSOCIATION

ANACORTES, L.L.C.

By: *Peggy Charnichael*
Peggy Charnichael
Vice President

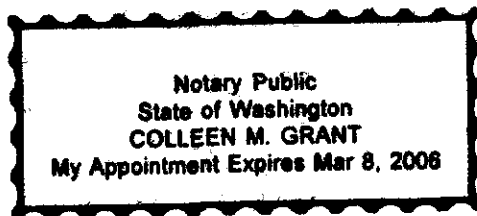
James E. Mock, Sr.
James E. Mock, Sr., Managing Member

State of WASHINGTON)
County of Island)

ss.

On this 30th day of July, 2003, before me personally appeared James E. Mock, Sr., to me known to be the managing member of the limited liability corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument and that the seal affixed is the corporate seal of said limited liability corporation.

Dated: July 30, 2003.



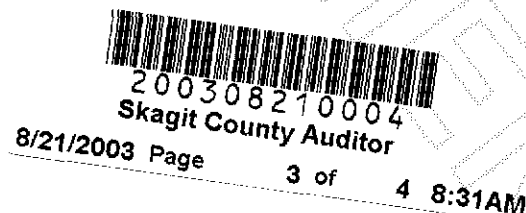
Colleen Grant
Notary Public for Washington

COLLEEN GRANT
(Printed or Stamped Name of Notary)
Residing at Langley
My appointment expires: March 8, 2006

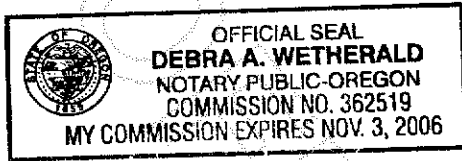
STATE OF OREGON)
COUNTY OF MULTNOMAH)

ss.

On this 5th day of ~~July~~ ^{AUGUST}, 2003, before me personally appeared Peggy Charnichael, to me known to be the Vice President of U.S. Bank National Association



("U.S. Bank"), and acknowledged said instrument to be the free and voluntary act and deed of U.S. Bank, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute said instrument.



Debra A. Wetherald
Notary Public for Oregon
My commission expires: 11/3/06



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