

RETURN ADDRESS:
PEOPLES BANK
MOUNT VERNON OFFICE
1801 RIVERSIDE DRIVE
MOUNT VERNON, WA
98273



200309090178

Skagit County Auditor

9/9/2003 Page

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4 11:27AM

LAND TITLE COMPANY: OF SKAGIT COUNTY

109102P

LANDLORD'S ESTOPPEL CERTIFICATE

Reference # (if applicable): _____

Additional on page _____

Grantor(s):

1. D D D INVESTMENTS, LLC

Grantee(s)

1. PEOPLES BANK

Legal Description: PTN OF SW 1/4 OF SE 1/4, 23-35-4 E WM

Additional on page 2

Assessor's Tax Parcel ID#: 340423-0-033-0009 (P37183)

THIS LANDLORD'S ESTOPPEL CERTIFICATE dated September 2, 2003, is made and executed among D D D INVESTMENTS, LLC, whose address is 3819 RIDGE COURT, MOUNT VERNON, WA 98274 ("Grantor"); PEOPLES BANK, MOUNT VERNON OFFICE, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender"); and SEDRO TRAIL CORPORATION ("Landlord").

LANDLORD'S ESTOPPEL CERTIFICATE
(Continued)

Grantor and Lender have entered into, or are about to enter into, a financial transaction whereby Lender has acquired or will acquire a security interest or other lien on Grantor's leasehold interest in the Property described below.

To induce Lender to extend one or more loans or other financial accommodations to Grantor against such security interest in the Property and for other valuable consideration, with knowledge that Lender is relying thereon, Landlord and Grantor hereby agree with Lender as follows:

THE LEASE. Landlord has leased the Property to Grantor pursuant to a lease (the "Lease") dated 7/15/03

REAL PROPERTY DESCRIPTION. The Lease covers the following described real property, together with all improvements thereon (the "Real Property") located in SKAGIT County, State of Washington:

THAT PORTION OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 23, TOWNSHIP 35 NORTH, RANGE 4 EAST, W.M. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY RIGHT-OF-WAY MARGIN OF STATE HIGHWAY 20 (CALLED DOLLARWAY COUNTY ROAD ON PREVIOUS DESCRIPTIONS) 240.00 FEET WESTERLY (AS MEASURED PERPENDICULAR) OF THE EAST LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4, BEING THE SOUTHWESTERLY CORNER OF THAT CERTAIN PARCEL CONVEYED TO SEDRO TRAIL CORPORATION BY PURCHASER'S ASSIGNMENT OF CONTRACT AND DEED RECORDED UNDER SKAGIT COUNTY AUDITOR'S FILE NO. 9012200064; THENCE NORTH 60°44'22" EAST ALONG SAID NORTHERLY RIGHT-OF-WAY MARGIN OF STATE HIGHWAY 20 FOR A DISTANCE OF 37.77 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUED NORTH 60°44'22" EAST ALONG SAID NORTHERLY MARGIN FOR A DISTANCE OF 49.67 FEET; THENCE NORTH 29°13'29" WEST FOR A DISTANCE OF 37.49 FEET; THENCE NORTH 16°11'54" WEST FOR A DISTANCE OF 21.75 FEET; THENCE NORTH 4°57'04" WEST FOR A DISTANCE OF 15.79 FEET; THENCE NORTH 14°30'16" WEST FOR A DISTANCE OF 33.20 FEET; THENCE NORTH 76°13'53" WEST FOR A DISTANCE OF 43.47 FEET, MORE OR LESS, TO SAID WEST LINE OF THE EAST 240.00 FEET OF SAID SUBDIVISION, ALSO BEING THE WEST LINE OF SAID SEDRO TRAIL CORPORATION PARCEL; THENCE SOUTH 0°00'11" WEST ALONG SAID WEST LINE FOR A DISTANCE OF 77.30 FEET, MORE OR LESS, TO A POINT BEARING NORTH 29°15'38" WEST FROM THE TRUE POINT OF BEGINNING; THENCE SOUTH 29°15'38" EAST FOR A DISTANCE OF 67.41 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

SITUATE IN SKAGIT COUNTY, WASHINGTON.

The Real Property or its address is commonly known as 802 W SR 20, SEDRO WOOLLEY, WA 98284. The Real Property tax identification number is 340423-0-033-0009 (P37183)

ESTOPPEL. Landlord and Grantor hereby jointly and severally represent and warrant to Lender that:

Lease in Effect. The Lease (i) has been duly executed and accepted by Landlord and Grantor, (ii) is in full force and effect, and (iii) has not been modified or changed, either in writing or orally, except as reflected in the copy of the Lease provided to Lender.

No Default. As of the date of this Certificate, (i) all conditions and obligations to be performed by either Landlord or Grantor under the Lease, to the date hereof, have been satisfied; (ii) there exists no breach, default, or event or condition which, the giving of notice or the passage of time, or both, would constitute such a breach or default under the Lease; and (iii) there are no existing claims, defenses or offsets against obligations of either Landlord or Grantor under the Lease, including any against rents due or to become due under the terms of the Lease.

Entire Agreement. The Lease constitutes the entire agreement between Landlord and Grantor with respect to the Lease of the Property.

No Prepaid Rent. No deposits or prepayments of rent have been made in connection with the Lease, except as may be described above in the summary description of the Lease.

AGREEMENTS. Landlord and Grantor hereby jointly and severally agree with Lender that, during all such times as Lender is the beneficiary of the security interest in the Property described above:

Modification, Termination and Cancellation. Landlord and Grantor will not consent to any modification, termination or cancellation of the Lease unless Lender first consents thereto in writing.

Notice of Default. Landlord will notify Lender in writing concurrently with any notice given to Grantor of any breach or default on the part of Grantor under the Lease, and Landlord agrees that Lender shall have the right (but not the obligation) to cure any breach or default specified in such notice within the time periods set forth below and Landlord will not declare a default of the Lease, if Lender cures such default within thirty (30) days from and after expiration of the time period provided in the Lease for the cure thereof by Grantor; provided, however, that if such default cannot with diligence be cured by Lender within such thirty (30) day period, the commencement of action by Lender within such thirty (30) day period to remedy the same shall be deemed sufficient so long as Lender pursues such cure with diligence.

MISCELLANEOUS PROVISIONS. This Certificate shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Certificate. This Certificate shall be governed by and construed in accordance with the laws of the State of Washington. If Landlord is other than an individual, any agent or other person executing this Certificate on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Certificate on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Certificate unless such waiver is in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Certificate shall not constitute a waiver of or prejudice Lender's right otherwise to demand strict compliance with that provision or any other provision.



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LANDLORD'S ESTOPPEL CERTIFICATE
(Continued)

GRANTOR AND LANDLORD EACH ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S ESTOPPEL CERTIFICATE, AND EACH AGREES TO ITS TERMS. THIS CERTIFICATE IS DATED SEPTEMBER 2, 2003.

GRANTOR:

D D D INVESTMENTS, LLC

By: [Signature]
JAMES J. DUFFY, MANAGER of D D D INVESTMENTS, LLC Date

LANDLORD:

SEDRO TRAIL CORPORATION

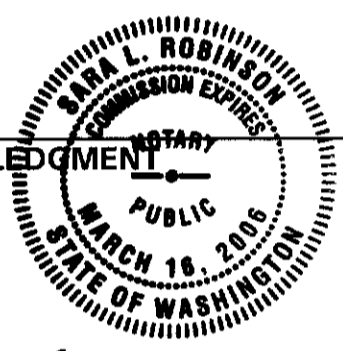
By: [Signature] 9/8/03
Signature for SEDRO TRAIL CORPORATION Date

LENDER:

x [Signature] SVP 9/2/03
Authorized Officer Date

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
COUNTY OF Skagit) SS

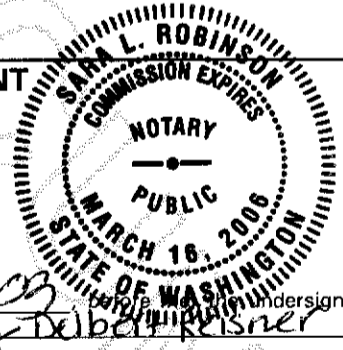


On this 8 day of September, 20 03, before me, the undersigned Notary Public, personally appeared JAMES J. DUFFY, MANAGER of D D D INVESTMENTS, LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be a of the limited liability company that executed the Landlord's Estoppel Certificate and acknowledged the Certificate 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 he or she is authorized to execute this Certificate and in fact executed the Certificate on behalf of the limited liability company.

By: [Signature] Residing at Sedro Woolley WA
Notary Public in and for the State of WA My commission expires March 16, 2006

CORPORATE ACKNOWLEDGMENT

STATE OF Washington)
COUNTY OF Skagit) SS



On this 8 day of September, 20 03, before me, the undersigned Notary Public, personally appeared [Signature] and personally known to me or proved to me on the basis of satisfactory evidence to be (an) authorized agent(s) of the corporation that executed the Landlord's Estoppel Certificate and acknowledged the Certificate 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/they is/are authorized to execute this Certificate and in fact executed the Certificate on behalf of the corporation.

By: [Signature] Residing at Sedro Woolley WA
Notary Public in and for the State of WA My commission expires March 16, 2006

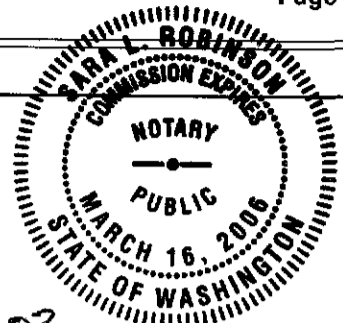


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LANDLORD'S ESTOPPEL CERTIFICATE
(Continued)

LENDER ACKNOWLEDGMENT

STATE OF Washington)
)
COUNTY OF Skagit) SS
)



On this 8 day of September, 20 03, before me, the undersigned Notary Public, personally appeared Louis M. Cauderney and personally known to me or proved to me on the basis of satisfactory evidence to be the Senior Vice President, 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 Sara L. Robinson
Notary Public in and for the State of WA

Residing at Sedro Woolley WA
My commission expires March 16, 2006



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Skagit County Auditor