

RETURN ADDRESS:

Whidbey Island Bank
P.O. Box 1589
Oak Harbor, WA 98277



200401140134

Skagit County Auditor

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LAND TITLE OF SKAGIT COUNTY

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 108654-PE

Additional on page ____

Grantor(s):

1. RED TAIL FLATS LLC

200311100258

Grantee(s)

1. Whidbey Island Bank

Legal Description: PTN W 1/2 OF SW 1/4, 27-35-3 E W.M.

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Assessor's Tax Parcel ID#: 350327-3-002-0015

THIS MODIFICATION OF DEED OF TRUST dated November 19, 2003, is made and executed between RED TAIL FLATS LLC; a Washington Limited Liability Company ("Grantor") and Whidbey Island Bank, Burlington Office, 1800 S. Burlington Ave., P.O. Box 302, Burlington, WA 98233 ("Lender").

MODIFICATION OF DEED OF TRUST

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated November 4, 2003 (the "Deed of Trust") which has been recorded in SKAGIT County, State of Washington, as follows:

RECORDED UNDER SKAGIT COUNTY AUDITORS NUMBER 200311100258 ON 11/10/2003.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in SKAGIT County, State of Washington:

See EXHIBIT "A", which is attached to this Modification and made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as RED TAIL FLATS 9 LOT SUBDIVISION EMILY LANE, BURLINGTON, WA 98233. The Real Property tax identification number is 350327-3-002-0015

MODIFICATION. Lender and Grantor hereby modify the Deed of Trust as follows:

ALLOW FOR MULTIPLE ADVANCES.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust 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 Deed of Trust (the "Note"). It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers and endorses 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 Deed of Trust 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 DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED NOVEMBER 19, 2003.

GRANTOR:

RED TAIL FLATS LLC

By:

JOHN C RABY, Member of RED TAIL FLATS LLC

By:

JOANNE PFEL, Member of RED TAIL FLATS LLC

By:

WILLIAM J THRAMER, Member of RED TAIL FLATS LLC

LENDER:

X Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

COUNTY OF

Skagit

STATE OF

Washington

On this

13th

day of

January

Notary Public, personally appeared JOHN C RABY, Member, JOANNE PFEL, Member, WILLIAM J THRAMER, Member of RED TAIL FLATS LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification 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 they are authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

By

[Signature]

Notary Public in and for the State of

WA

Residing at

Burlington

My commission expires

1-1-06



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MODIFICATION OF DEED OF TRUST
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LENDER ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

On this _____ day of _____, 20_____, before me, the undersigned Notary Public, personally appeared _____ 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 _____ Residing at _____
Notary Public in and for the State of _____ My commission expires _____

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DESCRIPTION:

The West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$, Section 27, Township 35 North, Range 3 East, W.M.,

EXCEPT the East 165 feet of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of said Section 27,

ALSO EXCEPT the South 660 feet thereof,

ALSO EXCEPT the following described Tracts 1 and 2:

Tract 1:

Beginning at the Southeast corner of said Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 27;
thence North $0^{\circ}52'50''$ East, along the East line of said subdivision, 660.08 feet to the Northeast corner of Lot 1 as shown on Short Plat filed in Book 8 of Short Plats, page 197, under Auditor's File No. 8912130035, records of Skagit County, Washington, said corner also being the true point of beginning;
thence continue along said East line of said subdivision North $0^{\circ}52'50''$ East, 663.10 feet to the Northeast corner of said Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 27;
thence North $89^{\circ}46'11''$ West, along the North line of said subdivision, 590.22 feet;
thence South $0^{\circ}52'51''$ West, 665.47 feet to the intersection with the North line of Lot 2 of said Short Plat;
thence North 90° East along the North line of said Short Plat, 590.25 feet to the true point of beginning.

Tract 2:

Beginning at the Southwest corner of said Section 27;
thence North $1^{\circ}36'21''$ East along the West line of said Section 27, a distance of 660.26 feet to the Northwest corner of the South 660.00 feet of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of Section 27, being the true point of beginning;
thence continuing North $1^{\circ}36'21''$ East, a distance of 208.75 feet;
thence North $90^{\circ}00'00''$ East, a distance of 208.75 feet;
thence South $1^{\circ}36'21''$ West, a distance of 208.75 feet to a point on the North line of said South 660 feet of the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$;
thence North $90^{\circ}00'00''$ West along said South 660 feet to the Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$, a distance of 208.75 feet to the true point of beginning.

TOGETHER WITH a non-exclusive easement for ingress and egress and utilities over and across a strip of land 60 feet in width, the centerline of which is described as follows:

Beginning at a point on the South line of said subdivision, which is 667.32 feet East of the Southwest corner of said Section, as measured along the South line thereof;
thence North $1^{\circ}14'30''$ East a distance of 660.16 feet to the North line of the hereinabove described subject property, and the terminus of said line.

Situate in the County of Skagit, State of Washington.



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