

Loan Number
35368-20010-9727899

Bank of America



P. O. BOX 2314
RANCHO CORDOVA, CA 95741

CAP I.D. # 040711030190



200405030193
Skagit County Auditor

5/3/2004 Page 1 of 4 3:17PM

FIRST AMERICAN TITLE CO.

Booagie.2

SPACE ABOVE THIS LINE IF FOR RECORDERS'S USE

CONSENT TO ENCUMBRANCE OF LEASE
AND AMENDMENT TO LEASE

5100-003409-0000

Marlene W. Anderson,

is Lessee ("Lessee") under an Agreement of Lease (the "Lease"), dated 05/18/1972, with SHELTER BAY COMPANY as Lessor ("Lessor") recorded or a Memorandum of which was recorded on 09/18/1978 in Book n/a, Page n/a, Official Instrument No. 887668 of Official Records of Skagit County, state of Washington, pertaining to the property described in Exhibit "A" hereto (the "Leased Property").

1. Lessor (a) consents to Lessee's encumbrance of Lessee's leasehold interest in the Leased Property (the "Leasehold") by mortgage, deed of trust or security deed (the "Security Instrument") in favor of Bank of America, N.A. ("Encumbrancer") to secure a note in the principal sum of \$ 50,000.00, and other obligations set forth in the Security Instrument which is recorded concurrently herewith in the Official Records of Skagit County, state of Washington, and (b) agrees that the terms hereof shall govern over any provision inconsistent herewith in the Lease.

2. Lessor affirms that as of the date of this Consent, the Lease is in full force and effect and no default or ground for termination thereof exists.

3. An assignment of the Lease of one of the below listed types, made in connection with the Security Instrument, may be made without the consent of Lessor:

(a) Assignment by judicial or non-judicial foreclosure, subject to applicable law, under the Security Instrument, or assignment in lieu of foreclosure; and

(b) Assignment by Encumbrancer, after having obtained an assignment described in (a) above. Any Lease transferee under the provisions of this paragraph 3 shall be liable to perform the obligations of Lessee under the Lease only so long as the transferee holds title to the Leasehold. Any subsequent transfer of the Leasehold may be made only with such written consent of Lessor and subject to the conditions relating thereto as are set forth in the Lease.

4. Lessor may not terminate the Lease because of any default or breach thereunder on the part of Lessee if Encumbrancer, or the trustee under the deed of trust, if applicable, within 90 days after service of written notice on Encumbrancer by Lessor of Lessor's intention so to terminate:

(1) Cures the default or breach if it can be cured by the payment or expenditure of money provided to be paid under the terms of the Lease, or if the default or breach is not so curable, commences, or cause the trustee under the deed of trust to commence, if applicable, and thereafter pursues to completion, steps and proceedings to foreclose on the Leasehold covered by the Security Instrument; and

(2) Keeps and performs all of the covenants and conditions of the Lease requiring the payment or expenditure of money by Lessee until such time as the leasehold is sold upon foreclosure pursuant to the Security Instrument, or is release or reconveyed thereunder, or is transferred upon judicial foreclosure of by an assignment in lieu of foreclosure.

5. Any notice to Encumbrancer provided for in the preceding paragraph may be given concurrently with or after the notice of default to Lessee, as provided in the Lease and sent to the following address: BANK OF AMERICA, N. A., P. O. BOX 2314, RANCHO CORDOVA, CA 95741

6. Notwithstanding any Lease provision to the contrary, policies of fire and extended coverage insurance shall be carried by Lessee covering the building or buildings constructed on the Leasehold premises with loss payable clause to Encumbrancer, and any disposition of the proceeds thereof in case of loss shall be subject to the rights of the Encumbrancer as provided in the Security Instrument.

7. Any and all eminent domain or condemnation awards or damages shall first be applied in payment of the then outstanding balance, if any, of the loan made to Lessee by Encumbrancer and the balance of the awards and damages, if any, shall be paid to Lessor and Lessee, as their interests may appear.

8. The Lease may be amended, or may be terminated by any party other than as provided in paragraph 5 hereof, only with the prior written consent of Encumbrancer.

9. Lessor hereby waives the right to obtain, for any liability of Lessee that arises, accrues, or is the subject of legal action while the Security Instrument is in existence, a lien on any equipment or furnishings of Lessee that may constitute a part of the Leasehold improvements.

10. The terms hereof shall inure to the benefit of and be binding upon the parties, their successors and assigns.

11. Lessor is aware of, and consents to, the terms and purposes of the note secured by the Security Instrument, and any extensions or renewals thereof.

12. To the extent that this document gives additional rights to Encumbrancer, the Lease is hereby amended and modified for the benefit of Encumbrancer only.

13. Except as provided herein, the Lease shall remain in full force and effect as originally written.

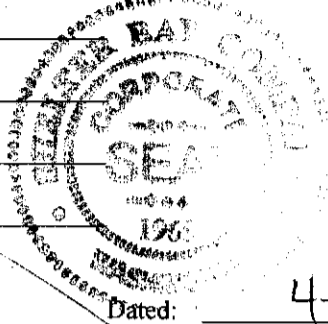
In this Consent the singular number includes the plural, whenever the context so requires.

LESSOR:

Dated: April 30, 2004

Shelter Bay Company

Allan F. Osberg, President



LESSEE:

Marlene W. Anderson

Dated: 4-28-04

(Attach Notary Acknowledgements)

APPROVAL OF ENCUMBRANCE

This form and terms of the within and foregoing Encumbrance are approved this _____ day of _____, 20____.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

By _____

Title _____

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

MAY 03 2004

Amount Paid \$
Skagit Co. Treasurer
By _____ Deputy



200405030193
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5/3/2004 Page 2 of 4 3:17PM

STATE OF WASHINGTON, } ss.
County of Skagit

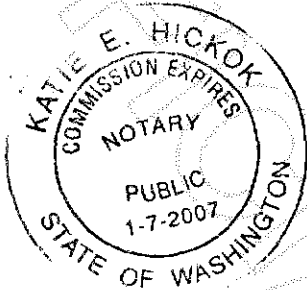
ACKNOWLEDGMENT - Individual

On this day personally appeared before me Martene W. Andersson

to me known

to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that She
signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 28th day of April, 192004



[Signature]
Notary Public in and for the State of Washington,

residing at Mukwon

My appointment expires 1-7-07

STATE OF WASHINGTON, } ss.
County of King

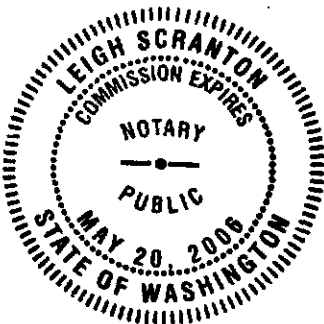
ACKNOWLEDGMENT - Corporate

On this 30th day of April, 2004 before me, the undersigned, a Notary Public in and for the State of
Washington, duly commissioned and sworn, personally appeared Allan E. Osberg

XXX to me known to be the

President and Secretary respectively of Shelter Bay Company
the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary
act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is
authorized to execute the said instrument and that the seal affixed (if any) is the corporate seal of said corporation.

Witness my hand and official seal hereto affixed the day and year first above written.



[Signature]
Notary Public in and for the State of Washington,

residing at Seattle

My appointment expires 5/20/06

Leigh Scranton

This jurat is page _____ of _____ and is attached to _____



200405030193
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EXHIBIT "A"

A leasehold interest in the following property:

Lot 409, "SURVEY OF SHELTER BAY DIVISION NO. 3, Tribal and Allotted Lands of Swinomish Indian Reservation", as recorded in Volume 43 of Official Records, Pages 839 to 842, inclusive, under Auditor's File No. 737014, and amendment thereto recorded in Volume 66 of Official Records, page 462, under Auditor's File No. 753731, records of Skagit County, Washington.

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5/3/2004 Page 4 of 4 3:17PM