

**RETURN ADDRESS:**

Horizon Bank  
Commercial Banking Ctr  
2211 Rimland Dr., Ste 230  
Bellingham, WA 98226



200410010133

Skagit County Auditor

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**CHICAGO TITLE CO.**

1027414

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**MODIFICATION OF DEED OF TRUST**

Reference # (if applicable): 200307310236

Additional on page \_\_\_\_

Grantor(s):

1. Stanislaw Properties, L.L.C.

Grantee(s)

1. Horizon Bank

Legal Description: Lts 1, 2 and 3, SP 11-84; and ptn SW SE 18-35-5

Additional on page 4

Assessor's Tax Parcel ID#: 350518-4-029-0003 (P39412)

**THIS MODIFICATION OF DEED OF TRUST dated October 1, 2004, is made and executed between Stanislaw Properties, L.L.C., A Washington Limited Liability Company ("Grantor") and Horizon Bank, Whatcom Commercial Center, 2211 Rimland Dr. Suite #230, Bellingham, WA 98226 ("Lender").**

MODIFICATION OF DEED OF TRUST  
(Continued)

Loan No: 1460013173

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**DEED OF TRUST.** Lender and Grantor have entered into a Deed of Trust dated July 31, 2003 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded July 31, 2003 under Skagit County Auditor's File No. 200307310236.

**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 24595 State Route 20, Sedro Woolley, WA 98284. The Real Property tax identification number is 350518-4-029-0003 (P39412)

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

The loan evidenced by the Note is increased to \$3,937,500.00 which shall be and remain secured by the Deed of Trust.

**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 endorser 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 OCTOBER 1, 2004.**

GRANTOR:

STANISLAW PROPERTIES, L.L.C.

By: 

Robert W. Janicki, Manager of Stanislaw Properties, L.L.C.

LENDER:

HORIZON BANK

x 

Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF Skagit )

On this 29th day of September, 20 04, before me, the undersigned Notary Public, personally appeared Robert W. Janicki, Manager of Stanislaw Properties, L.L.C., 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 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 he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

By Maria R. Karper

Notary Public in and for the State of Washington

Residing at Sedro Woolley

My commission expires 5-1-2008

MARIA R. KARPEN  
STATE OF WASHINGTON  
NOTARY PUBLIC  
My Commission Expires 5-1-2008

  
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Skagit County Auditor

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MODIFICATION OF DEED OF TRUST  
(Continued)

Loan No: 1460013173

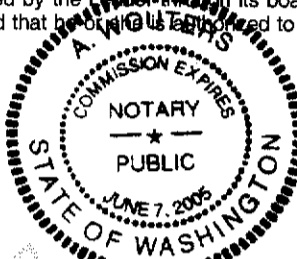
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LENDER ACKNOWLEDGMENT

STATE OF WASHINGTON )  
 ) SS  
COUNTY OF WHATCOM )

On this 30<sup>TH</sup> day of SEPTEMBER, 20 04, before me, the undersigned Notary Public, personally appeared MICHAEL BAYLES and personally known to me or proved to me on the basis of satisfactory evidence to be the 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 [Signature]  
Notary Public in and for the State of WA



Residing at FERRISDALE  
My commission expires 6-7-05



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**EXHIBIT "A"**

**PARCEL A:**

Tracts 1, 2 and 3, SKAGIT COUNTY SHORT PLAT NO. 11-84, approved May 23, 1984 and recorded October 17, 1984 in Volume 6 of Short Plats, pages 179 and 180, under Auditor's File No. 8410170004, records of Skagit County, Washington; being a portion of the Southwest Quarter of the Southeast Quarter in Section 18, Township 35 North, Range 5 East of the Willamette Meridian;

**PARCEL B:**

That portion of the East Half of the Southwest Quarter of the Southeast Quarter of Section 18, Township 35 North, Range 5 East of the Willamette Meridian, lying Northerly of the Great Northern Railway Company right-of-way;

EXCEPT the West 30 feet thereof;

ALSO EXCEPT the North 60 feet thereof;

AND ALSO EXCEPT that portion thereof lying Southerly of a sewer line as the same existed on May 1, 1970 and was referred to in Real Estate Contract recorded May 18, 1970, under Auditor's File No. 739080, records of Skagit County, Washington; and which runs in a Westerly direction from a point on the West line of the county road along the East line of said subdivision which is 351 feet, more or less, North of the centerline of the State Highway 20;

AND ALSO EXCEPT the East 20 feet for a road conveyed to Skagit County by Deed recorded under Auditor's File No. 57468, records of Skagit County, Washington;

AND FURTHER EXCEPTING any portion lying within the boundaries of Short Plat 92-019 recorded August 30, 1995 under Auditor's File No. 9508300056, records of Skagit County, Washington;

All situated in Skagit County, Washington.

**- END OF EXHIBIT "A" -**



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