

PREPARED BY AND UPON
RECORDATION RETURN TO:

Katten Muchin Zavis Rosenman
525 W. Monroe Street, Suite 1600
Chicago, Illinois 60661-3693
Attention: Pamela Kain, Esq.



200412100125
Skagit County Auditor

12/10/2004 Page 1 of 8 11:54AM

CHICAGO TITLE CO.

IC31415 ✓

**RELEASE AND SATISFACTION OF DEED OF TRUST, ASSIGNMENT OF LEASES
AND RENTS, FIXTURE FILING AND SECURITY AGREEMENT**

KNOW ALL MEN BY THESE PRESENTS, that for valuable consideration, the receipt of which is hereby acknowledged, the undersigned, on behalf of iStar Finance Sub 1000T LLC, a Delaware limited liability company (hereinafter "iStar"), DOES RELEASE AND FOREVER DISCHARGE that certain DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, FIXTURE FILING AND SECURITY AGREEMENT, dated July 23, 2003 (hereinafter "Mortgage") executed by Thousand Trails, Inc., a Delaware corporation, to iStar, and filed for record on and recorded July 30, 2003, as Document No. 200307300159 with the Skagit County, Washington Auditor, with respect to all of the real estate as set forth in said Mortgage, situated in the State of Washington, County of Skagit, said real estate being more fully described in Exhibit "A", attached hereto and made a part hereof.

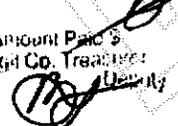
And the undersigned, on behalf of iStar, does further hereby RELEASE, CANCEL AND SATISFY THE TERMS AND CONDITIONS OF SAID DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, FIXTURE FILING AND SECURITY AGREEMENT.

This Release and Satisfaction shall be binding upon iStar, its successors and assigns.

[Signature Page To Follow]

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

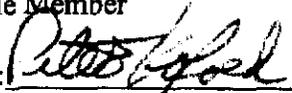
DEC 10 2004

Amount Paid to
Skagit Co. Treasurer
by 

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed on behalf of iStar, this 16 day of November, 2004.

iStar Finance Sub 1000T LLC, a Delaware limited liability company

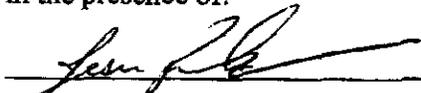
By: iStar Financial Inc., a Maryland corporation
Its: Sole Member

By: 

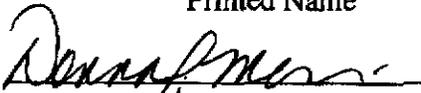
Name: **Peter K. Kofoed**
Vice President

Its: _____

Signed and acknowledged
in the presence of:



Witness: Jesus Rosado
Printed Name

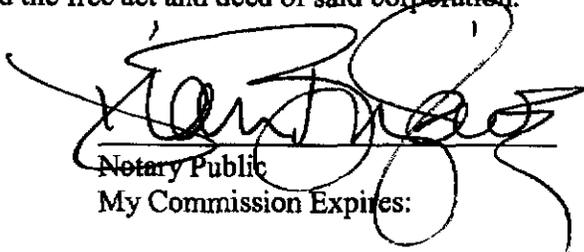


Witness: Donna Mejia
Printed Name



State of New York
County of New York ss.

On this 16th day of November 2004, before me personally appeared Peter Kolod, the Vice President of iStar Financial Inc., a Maryland corporation, and acknowledged said instrument to be his/her free act and deed and the free act and deed of said corporation.


Notary Public
My Commission Expires:

DIANE BUGLEWICZ
Notary Public, State of New York
No. 01BU079163
Qualified in New York County
Commission Expires August 12, 2006




200412100125
Skagit County Auditor
12/10/2004 Page 3 of 8 11:54AM

EXHIBIT A

Land

LEGAL DESCRIPTION

(MOUNT VERNON)

PARCEL A:

That portion of the Southeast Quarter of the Northeast Quarter of Section 30, Township 36 North, Range 4 East of the Willamette Meridian, lying West of the county road;

EXCEPT the following described tract:

Beginning at the Northwest corner of said Southeast Quarter of the Northeast Quarter; thence South 86°44' East along the North line of said subdivision, 689.69 feet to the center line of Friday Creek as it existed in July 1960; being the true point of beginning of the tract herein described; thence South 43°58' West along the center line of said creek, 296.03 feet; thence South 86°44' East a distance of 219.57 feet to the Northwesterly line of the county road; thence Northeasterly along said county road to the North line of said subdivision; thence Westerly along the North line of said subdivision to the true point of beginning.

PARCEL B:

That portion of the Southwest Quarter of the Northeast Quarter of Section 30, Township 36 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at the Southeast corner of said subdivision; thence North 86°09'15" West along the South line of said subdivision, 173.83 feet; thence North 33°13' West, 593.74 feet; thence North 11°13'45" West, 366.72 feet; thence North 00°15'45" East, 91.67 feet; thence North 17°52'30" East, 89.17 feet; thence North 56°13'30" East, 260.95 feet; thence North 76°01'30" East, 83.57 feet; thence North 06°10'45" East, 136.52 feet to the North line of said subdivision; thence South 85°02'15" East, 201.30 feet to the Northeast corner of said subdivision; thence South 01°15'14" East along the East line of said subdivision to the Southeast corner thereof and the point of beginning.

PARCEL C:

That portion of the Northwest Quarter of the Northeast Quarter of Section 30, Township 36 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at the Southeast corner of said subdivision; thence North 85°02'15" West along the

Doc #:CH001 (208972-00213) 50127154*2.07/17/2003/Time:17:14



200412100125
Skagit County Auditor

South line of said subdivision, 201.30 feet; thence North 06°10'46" East, 20.50 feet; thence North 57°47'35" West, 1,067.71 feet to the East line of the state highway right-of-way; thence North 08°57' East along the East line of said highway right-of-way, 788.75 feet to the North line of said subdivision; thence South 86°10'35" East, 987.50 feet to the Northeast corner of said subdivision; thence South 00°16'19" West, 1,320.17 feet to the point of beginning.

PARCEL D:

That portion of the Northeast Quarter of the Northeast Quarter of Section 30, Township 36 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at the Southwest corner of said subdivision; thence South 85°02'15" East along the South line of said subdivision, 506.40 feet; thence North 02°47'15" East, 273.24 feet; thence North 05°54'45" West, 221.26 feet; thence North 77°29'15" West, 386.03 feet; thence North 67°35'15" West, 124.82 feet to West line of said subdivision; thence South 00°16'19" West along West line of said subdivision, 580.43 feet to the point of beginning.

PARCEL E:

That portion of the Northeast Quarter of the Northeast Quarter of Section 30, Township 36 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at the Southwest corner of said subdivision; thence South 85°02'15" East along the South line of said subdivision a distance of 506.40 feet to the true point of beginning. thence North 02°47'15" East a distance of 273.24 feet; thence North 05°54'45" West a distance of 221.26 feet; thence North 77°29'15" West a distance of 44.66 feet; thence North 77°48'45" East a distance of 319.99 feet; thence South 25°47'45" East a distance of 445.20 feet; thence South 72°23'45" East a distance of 142.16 feet; thence South 23°44'15" East a distance of 56.77 feet to the Northerly line of the county road; thence South 50°21'45" West along the Northerly line of the county road a distance of 180.99 feet to the South line of the Northeast Quarter of the Northeast Quarter of said Section 30; thence North 85°02'15" West along the South line of said subdivision a distance of 474.16 feet to the true point of beginning.

PARCEL F:

That portion of the Northwest Quarter of the Northeast Quarter of Section 30, Township 36 North, Range 4 East of the Willamette Meridian, lying East of Primary State Highway No. 1, as condemned by the State of Washington, under Skagit County Superior Court Cause No. 26638;

EXCEPT that portion thereof described as follows:

Beginning at the Southeast corner of said subdivision; thence North 85°02'15" West along the South line of said subdivision, 201.30 feet; thence North 06°10'46" East, 20.50 feet; thence North 57°47'35" West, 1,067.71 feet to the East line of the state highway right-of-way; thence North 08°57' East along the East line of said highway right-of-way, 788.75 feet to the North line

Doc #:CH101 (208972-00213) 50127154v2;07/17/2003/Time:17:14



200412100125
Skagit County Auditor

of said subdivision; thence South 86°10'35" East, 987.50 feet to the Northeast corner of said subdivision; thence South 00°16'19" West, 1,320.17 feet to the point of beginning; (Being a portion of Lot 4, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington).

PARCEL G:

That portion of the Southwest Quarter of the Northeast Quarter of Section 30, Township 36 North, Range 4 East of the Willamette Meridian, lying East of Primary State Highway No. 1, as condemned by the State of Washington under Skagit County Superior Court Cause No. 26638;

EXCEPT that portion thereof lying East of a line described as follows:

Beginning at the Southeast corner of said subdivision; thence North 86°09'15" West along the South line of said subdivision, 173.83 feet to the true point of beginning of the line herein described; thence North 33°13' West, 593.74 feet; thence North 11°13'45" West, 366.72 feet; thence North 00°15'45" East, 91.67 feet; thence North 17°52'30" East, 89.17 feet; thence North 56°13'30" East, 260.95 feet; thence North 76°01'30" East, 83.57 feet; thence North 06°10'45" East, 136.52 feet to the North line of said subdivision and the terminal point of the line herein described;

ALSO EXCEPT that portion thereof condemned by the State of Washington in Skagit County Superior Court Case No. 40077; (Being a portion of Lot 4, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington);

PARCEL H:

The West Half of the Southeast Quarter, that portion of the Southeast Quarter of the Southeast Quarter and of the South 600 feet of the Northeast Quarter of the Southeast Quarter, lying West of the Friday Creek Road No. 2611 (formerly known as and called Lake Samish Public Highway and the L.M. Abbey Road), all in Section 30, Township 36 North, Range 4 East of the Willamette Meridian;

EXCEPT from the above described premises the following described tract:

Beginning at a point of intersection with the North line of the South 600 feet of said Northeast Quarter of the Southeast Quarter with the centerline of Friday Creek as it existed on December 9, 1969; thence Easterly along the South line of that certain tract of land conveyed to Grace Jean Wallace by instrument recorded under Auditor's File No. 717952, records of Skagit County, Washington a distance of 120 feet; thence Southwesterly in a straight line which generally runs parallel with the Easterly bank of Friday Creek a distance of 250 feet; thence Westerly parallel with the North line of the South 600 feet of the Northeast Quarter of the Southeast Quarter, 120 feet to the centerline of said Friday Creek; thence Northeasterly along the centerline of said Friday Creek to the point of beginning.

UNRECORDED
ALSO EXCEPT that portion thereof condemned by the State of Washington in Skagit County Superior Court Cause No. 40077;

AND ALSO EXCEPT that portion thereof within Lots 2 and 3 of Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington; (Being a portion of Lot 4, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington).

PARCEL I:

That portion of the Southwest Quarter of Section 30, Township 36 North, Range 4 East of the Willamette Meridian, lying East of Primary State Highway No. 1, as condemned by the State of Washington, under Skagit County Superior Court Cause No. 26638; (Being a portion of Lot 4, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington).

PARCEL J:

That portion of the North Half of the Northeast Quarter of Section 31, Township 36 North, Range 4 East of the Willamette Meridian, lying West of the Friday Creek Road (formerly known as and called Lake Samish Public Highway and L.M. Abbey Road);

EXCEPT any portion thereof, lying within the boundaries of Pacific Highway (Old Highway 99);

ALSO EXCEPT that portion thereof within Lot 2, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington; (Being a portion of Lot 4, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington, being a portion of Lot 4, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington).

PARCEL K:

That portion of the South Half of the Northeast Quarter of Section 31, Township 36 North, Range 4 East of the Willamette Meridian, lying West of the Pacific Highway (Old Highway 99);

EXCEPT that portion thereof within Lots 1 and 2, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington; (Being a portion of Lot 4, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in



Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington).

PARCEL L:

That portion of the Northwest Quarter of Section 31, Township 36 North, Range 4 East of the Willamette Meridian, lying East of Primary State Highway No. 1, as condemned by the State of Washington, under Skagit County Superior Court Cause No. 26638;

EXCEPT that portion thereof within Lot 1, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington; (Being a portion of Lot 4, Skagit County Short Plat No. 45-80, approved July 3, 1980, and recorded July 7, 1980, in Volume 4 of Short Plats, pages 131 and 132, under Auditor's File No. 8007070006, records of Skagit County, Washington).

PARCEL M:

An easement for access, road, and utilities contained in those certain easements and/or modifications to easements

Recorded: August 11, 1980, August 13, 1980, November 25, 1980, June 16, 1981, and June 23, 1981

Auditor's Nos.: 8008110023, 8008130012, 8011250035, 8106160017, 8106230014, 8106230015, and 8106230016

ALL situated in Skagit County, Washington.