


After recording return to:

Horizon Bank – Attn: Consumer Docs
2211 Rimland Drive Suite 230
Bellingham, WA 98226


200608230123
Skagit County Auditor
8/23/2006 Page 1 of 3 3:48PM

Abbreviated Legal: "Lot 552, "Survey of Shelter Bay, Div. 3, Tribal and Allotted Lands of Swinomish Indian Reservation," Skagit County, Washington."

Tax Parcel No.: L84549

LAND TITLE OF SKAGIT COUNTY

SKAGIT COUNTY WASHINGTON
REAL ESTATE EXCISE TAX

AUG 23 2006

ASSIGNMENT FOR SECURITY PURPOSES

Amount Paid
Skagit Co. Treasurer
Deputy

THIS ASSIGNMENT OF SUB-LEASE is executed this 21st day of August, 2006, by and between ROBERT W. OLSON and JOANNE M. OLSON, husband and wife, hereinafter called the "Assignors," and HORIZON BANK, hereinafter called the "Assignee."

WHEREAS, the Assignors are sub-lessees of certain real property located in Skagit County, Washington, and more particularly described as follows:

"Lot 552, "Survey of Shelter Bay, Div. 3, Tribal and Allotted Lands of Swinomish Indian Reservation," as recorded in Volume 43 of Official Records, pages 839 to 842, inclusive, records of Skagit County, Washington

Situate in the County of Skagit, State of Washington."

Pursuant to the terms and conditions of certain leases and sub-leases in which Shelter Bay Company, a Washington corporation, is the lessor; and

WHEREAS, the Assignors have or will be borrowing certain funds from Assignee and in order to secure the repayment of the Promissory Note evidencing such loan, the Assignors have executed a Deed of Trust in favor of the Assignee; and

WHEREAS, as a further condition to consummating the loan, the Assignee requires the Assignors to execute this Assignment of their interest in the above-described property and Lease, for security purposes.

UNRECORDED
THEREFORE, the parties mutually agree as follows:

1. Assignment.

For good and valuable consideration, the Assignors do hereby assign to the Assignee, for security purposes only, all of the Assignors' right, title and interest in and to the afore-mentioned Lease with respect to the afore-mentioned real property.

2. Assignee's Right to Possession.

The Assignee acknowledges that this Assignment is for security purposes only, and is made and executed contemporaneously with the Assignors' execution of a Promissory Note and Deed of Trust relating to their leasehold interest and improvements thereon located on the afore-mentioned property.

3. Default.

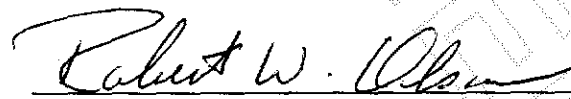
In the event that the Assignors default under the terms and conditions of the Promissory Note or Deed of Trust and the Assignee is required to foreclose, forfeit or otherwise take possession of the Assignors' interest in the subject real property with improvements, then it is agreed and understood that at such time as the Assignee takes possession of the property, this Assignment of Lease shall immediately become effective and all of the Assignors' right, title and interest to the Lease shall vest in the Assignee, and the Assignee shall be entitled to all rights, benefits and obligations of the Assignors under such Lease, including but not limited to the right of possession of the premises.

4. Incorporation by Reference.

Incorporated into this Assignment are all of the terms and conditions of the related Promissory Note and Deed of Trust and any other documentation executed by the parties.

IN WITNESS WHEREOF, the parties have executed this Assignment on the day and year first written above.

ASSIGNORS:


Robert W. Olson



200608230123
Skagit County Auditor

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Joanne M Olson
Joanne M. Olson

ASSIGNEE:

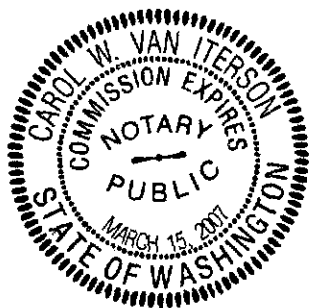
Horizon Bank:

By Carol W. Van Iterson
Its: Assistant Vice President

STATE OF WASHINGTON)
 ss.
COUNTY OF SKAGIT)

On this 21st day of August, 2006, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ROBERT W. OLSON and JOANNE M. OLSON, to me known to be the individual that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said individual, for the uses and purposes therein mentioned.

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



Carol W. Van Iterson
NOTARY PUBLIC in and for
the State of Washington
residing at Bellingham
Appointment expires: 3-15-07



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