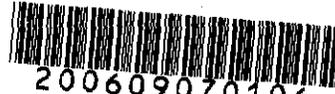


**RETURN ADDRESS:**

Horizon Bank  
CML % Brandi Reid  
2211 Rimland Dr, Ste 230  
Bellingham, WA 98226



200609070106  
Skagit County Auditor

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FIRST AMERICAN TITLE CO.

**MODIFICATION OF MORTGAGE**

854922

Reference # (if applicable): 200508090076

Additional on page \_\_\_\_

Grantor(s):

1. The Sybrandy Family Trust, Dated April 18, 1994, Frank Sybrandy and Alice Sybrandy, Trustors and/or Trustees

Grantee(s)

1. Horizon Bank

Legal Description: Section 18, Township 33, Range 4; Ptn SE NW and Ptn. Gov. Lot 2

Additional on page 4

Assessor's Tax Parcel ID#: 330418 2 005 0000 (P16755); 330418 2 004 0017 (P16820); 330418 2 003 0000 (P16819)

**THIS MODIFICATION OF MORTGAGE dated August 22, 2006, is made and executed between Frank Sybrandy and Alice Sybrandy, Trustees of The Sybrandy Family Trust, Dated April 18, 1994, Frank Sybrandy and Alice Sybrandy, Trustors and/or Trustees who acquired title as Frank Sybrandy and Alice Sybrandy, Trustees of Sybrandy Family Trust Dated April 18, 1994 (referred to below as "Grantor") and Horizon Bank, whose mailing address is 2211 Rimland Drive, Suite 230, Bellingham, WA 98226 (referred to below as "Lender").**

**MODIFICATION OF MORTGAGE  
(Continued)**

Loan No: 6000001137

Page 2

**MORTGAGE.** Lender and Grantor have entered into a Mortgage dated August 3, 2005 (the "Mortgage") which has been recorded in Skagit County, State of Washington, as follows:

**Recorded August 9, 2005 under Skagit County recording #200508090076.**

**REAL PROPERTY DESCRIPTION.** The Mortgage 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 20281, 20335 and 20451 Dike Rd., Mount Vernon, WA 98273. The Real Property tax identification number is 330418 2 005 0000 (P16755); 330418 2 004 0017 (P16820); 330418 2 003 0000 (P16819).

**MODIFICATION.** Lender and Grantor hereby modify the Mortgage as follows:

**The term loan evidenced by the Note dated August 3, 2005 has increased to \$814,000.00 which shall be and remain secured by the Mortgage .**

**CONTINUING VALIDITY.** Except as expressly modified above, the terms of the original Mortgage shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Mortgage 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 Mortgage (the "Note"). It is the intention of Lender to retain as liable all parties to the Mortgage 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 Mortgage 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 MORTGAGE AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF MORTGAGE IS DATED AUGUST 22, 2006.**

**GRANTOR:**

**THE SYBRANDY FAMILY TRUST, DATED APRIL 18, 1994, FRANK SYBRANDY AND ALICE SYBRANDY, TRUSTORS AND/OR TRUSTEES**

By: Frank Sybrandy  
Frank Sybrandy, Trustee of The Sybrandy Family Trust, Dated April 18, 1994, Frank Sybrandy and Alice Sybrandy, Trustors and/or Trustees

By: Alice Sybrandy  
Alice Sybrandy, Trustee of The Sybrandy Family Trust, Dated April 18, 1994, Frank Sybrandy and Alice Sybrandy, Trustors and/or Trustees

**LENDER:**

**HORIZON BANK**

x Jay K...  
Authorized Signer



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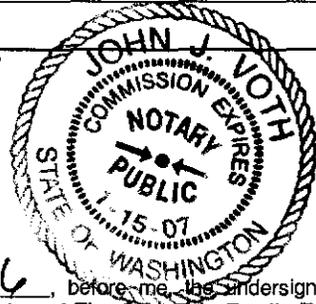
MODIFICATION OF MORTGAGE  
(Continued)

Loan No: 6000001137

Page 3

TRUST ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF Skagit )

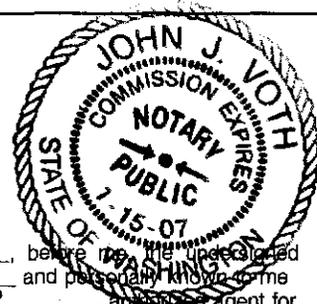


On this 05th day of September, 20 06, before me, the undersigned Notary Public, personally appeared **Frank Sybrandy, Trustee; Alice Sybrandy, Trustee of The Sybrandy Family Trust, Dated April 18, 1994, Frank Sybrandy and Alice Sybrandy, Trustors and/or Trustees**, and personally known to me or proved to me on the basis of satisfactory evidence to be authorized trustees or agents of the trust that executed the Modification of Mortgage and acknowledged the Modification to be the free and voluntary act and deed of the trust, by authority set forth in the trust documents or, by authority of statute, 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 trust.

By [Signature] Residing at Mount Vernon, WA  
Notary Public in and for the State of WA My commission expires 1-15-2007

LENDER ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF Skagit )



On this 05th day of September, 20 06, before me, the undersigned Notary Public, personally appeared Jay Keenok and personally known to me or proved to me on the basis of satisfactory evidence to be the Officer - VP, acting as 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] Residing at Mount Vernon, WA  
Notary Public in and for the State of WA My commission expires 1-15-2007

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Skagit County Auditor

**Exhibit A**

situated in the State of Washington, County of Skagit:

Parcel "A":

That portion of the Southeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  and of Government Lot 2 in Section 18, Township 33 North, Range 4 East, W.M., lying North of a line drawn parallel with and 685.3 feet North of the South line of said subdivision; EXCEPT Drainage District ditch rights-of-way and Ditch District rights-of-way; AND EXCEPT the County road right-of-way known as the Dike Road.

Parcel "B":

That portion of the Southeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$  and of Government Lot 2 in Section 18, Township 33 North, Range 4 East, W.M., lying South of a line drawn East and West through said Government Lot 2 and the Southeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$ , parallel with and 685.3 feet North of the South line of said Southeast  $\frac{1}{4}$  and Government Lot 2; EXCEPT County road right-of-way known as the Dike Road; EXCEPT Dike District rights-of-way; EXCEPT Drainage District ditch rights-of-way; AND EXCEPTING therefrom the following described tract:

Beginning at the Southeast corner of said Southeast  $\frac{1}{4}$  of the Northwest  $\frac{1}{4}$ ; thence North 0 degrees 35' East, 165.4 feet along the East line of said Southeast  $\frac{1}{4}$ ; thence South 54 degrees 21' West, 92.2 feet; thence South 49 degrees 02' West, 143 feet; thence West parallel with the South line of said Southeast  $\frac{1}{4}$ , 409 feet; thence North 56 degrees 30' West, 165 feet; thence North 70 degrees 37' West, 150 feet; thence South 52 degrees 34' West, 140 feet; thence South 71 degrees 28' West to the South line of said Southeast  $\frac{1}{4}$ ; thence East to the place of beginning.



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Skagit County Auditor