

RETURN ADDRESS:

North County Bank
Attn: Operations Dept
PO Box 3427
16419 Smokey Point Blvd
Arlington, WA 98223



200706150073
Skagit County Auditor

6/15/2007 Page 1 of 3 12:00PM

LAND TITLE OF SKAGIT COUNTY

200310030047

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 27000587

Additional on page ____

Grantor(s):

1. LaConner Associates LLC

Grantee(s)

1. North County Bank

Legal Description: Ptn. Blks 5, Q & R < LaConner; ptn Blks 19 & 20, Syndicate Add; ptn Trs. 14-16, Plate 18, LaConner Tdlds.

Additional on page ____

Assessor's Tax Parcel ID#:

4123-017-001-0007; 4123-017-009-0009; 4123-017-018-0008; 4123-017-019-0007;
4123-018-009-0007; 4128-020-008-0009; 4129-018-014-0103; 4129-018-015-0003;
4129-018-900-1504; 4129-018-900-1603; 4129-018-900-1702

THIS MODIFICATION OF DEED OF TRUST dated June 5, 2007, is made and executed between LaConner Associates LLC, a Washington Limited Liability Company ("Grantor") and North County Bank, whose address is Attn: Operations Dept, PO Box 3427, 16419 Smokey Point Blvd, Arlington, WA 98223 ("Lender").

**MODIFICATION OF DEED OF TRUST
(Continued)**

Loan No: 27000587

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated September 10, 2003 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Deed of Trust recorded 10/03/2003 in Skagit County, Washington under Auditor's File No. 200310030047 and Modified by Deed of Trust recorded on 04/19/2005 and 05/22/2006 in Skagit County, Washington under Auditor's File Nos. 200504190100 and 200605220151.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Skagit County, State of Washington:

See 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 813 S 2nd Street, LaConner, WA 98257. The Real Property tax identification number is 4123-017-001-0007; 4123-017-009-0009; 4123-017-018-0008; 4123-017-019-0007; 4123-018-009-0007; 4128-020-008-0009; 4129-018-014-0103; 4129-018-015-0003; 4129-018-900-1504; 4129-018-900-1603; 4129-018-900-1702

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

Principal Increase to reflect \$4,970,000 (an increase of 605,000.00).

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 endorsers 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 JUNE 5, 2007.

GRANTOR:

LACONNER ASSOCIATES LLC

By:


Vaughn W. Jolley, Manager of LaConner Associates LLC

LENDER:

NORTH COUNTY BANK

x 
Authorized Officer



200706150073
Skagit County Auditor

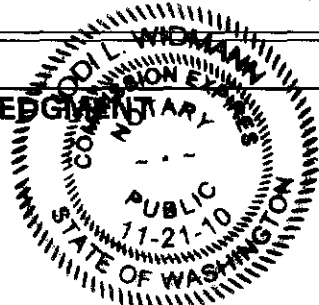
MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 27000587

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LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)



On this 6th day of June, 20 07, before me, the undersigned Notary Public, personally appeared Vaughn W. Jolley, Manager of LaConner Associates LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be a member or designated agent 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.

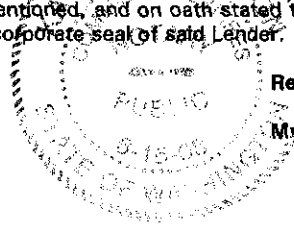
By [Signature] Residing at Lake Stevens
Notary Public in and for the State of WA My commission expires 11/21/10

LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

On this 6th day of June, 20 08, before me, the undersigned Notary Public, personally appeared ~~William L. Erickson~~ Dennis M. King and personally known to me or proved to me on the basis of satisfactory evidence to be the Senior 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 Kathleen Gleason Residing at Marysville
Notary Public in and for the State of WA My commission expires 6-15-2008



200706150073
Skagit County Auditor