

RETURN ADDRESS:

Frontier Bank
Real Estate Commercial
Mortgage Division
332 SW Everett Mall Way
Everett, WA 98204



200711070100
Skagit County Auditor

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MODIFICATION OF DEED OF TRUST

Reference # (if applicable): AFN 200610090062

REAL-XX7512 / ORDER NO. 88994

Additional on page ____

Grantor(s):

1. SKAGIT D-06, LLC

GUARDIAN NORTHWEST TITLE CO.

Grantee(s)

1. Frontier Bank

88994

Legal Description:

SECTION 35, TOWNSHIP 34, RANGE 4; PTN. NE AND PTN. NW, SECTION 26, TOWNSHIP 34, RANGE 4; PTN. SW SE

ACCOMMODATION RECORDING ONLY

Additional on page 2

Assessor's Tax Parcel ID#: 340435-1-001-0002, 340435-1-001-0200, 340435-1-002-0001, 340434-4-004-0038, 340426-4-014-0002, 340435-2-002-0009, 340435-1-003-0000

P29754, P29756, P29757, P29738, P27937, P29773, AND P29758

THIS MODIFICATION OF DEED OF TRUST dated November 5, 2007, is made and executed between SKAGIT D-06, LLC, a Washington Limited Liability Company, whose address is 22430 S E 231ST, MAPLE VALLEY, WA 98038 ("Grantor") and Frontier Bank, whose address is Real Estate Commercial Mortgage Division, 332 SW Everett Mall Way, Everett, WA 98204 ("Lender").

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

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated September 27, 2006 (the "Deed of Trust") which has been recorded in SNOHOMISH County, State of Washington, as follows:

RECORDED ON OCTOBER 09, 2006, BY FIRST AMERICAN TITLE COMPANY OF SKAGIT COUNTY, SKAGIT COUNTY, STATE OF WASHINGTON, UNDER AUDITOR'S FILE NO. 200610090062.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in SNOHOMISH 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 2118 MT. VIEW RD., MOUNT VERNON, WA 98274. The Real Property tax identification number is 340435-1-001-0002, 340435-1-001-0200, 340435-1-002-0001, 340434-4-004-0038, 340426-4-014-0002, 340435-2-002-0009, 340435-1-003-0000

P29754, P29756, P29757, P29738, P27937, P29773, AND P29758.

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

THIS MODIFICATION REPRESENTS THE REMOVAL OF THE MATURITY DATE.

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 NOVEMBER 5, 2007.

GRANTOR:

SKAGIT D-06, LLC

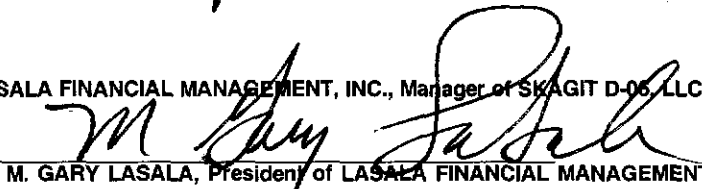
DMH LAND DEVELOPMENT, LLC, Member of SKAGIT D-06, LLC

By: 
DANIEL M. HAYES, Member of DMH LAND DEVELOPMENT, LLC.

LASALA FINANCIAL MANAGEMENT, INC., Manager of DMH LAND DEVELOPMENT, LLC.

By: 
M. GARY LASALA, President of LASALA FINANCIAL MANAGEMENT, INC.

LASALA FINANCIAL MANAGEMENT, INC., Manager of SKAGIT D-06, LLC

By: 
M. GARY LASALA, President of LASALA FINANCIAL MANAGEMENT, INC.

LENDER:

FRONTIER BANK

x 
Authorized Officer



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MODIFICATION OF DEED OF TRUST
(Continued)

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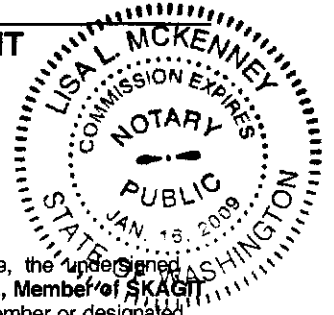
LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF King)

On this 22nd day of October, 20 07, before me, the undersigned Notary Public, personally appeared **DANIEL M. HAYES, Member of DMH LAND DEVELOPMENT, LLC., Member of SKAGIT D-06, 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 Lisa L. McKenney
Notary Public in and for the State of WA

Residing at Maple Valley
My commission expires 1-16-09



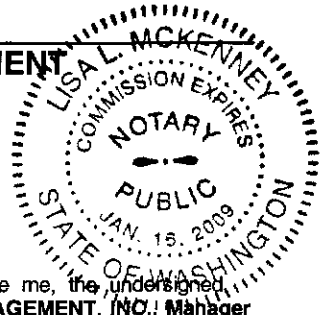
LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF King)

On this 22nd day of October, 20 07, before me, the undersigned Notary Public, personally appeared **M. GARY LASALA, President of LASALA FINANCIAL MANAGEMENT, INC., Manager of DMH LAND DEVELOPMENT, LLC., Member of SKAGIT D-06, 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 Lisa L. McKenney
Notary Public in and for the State of WA

Residing at Maple Valley
My commission expires 1-16-09



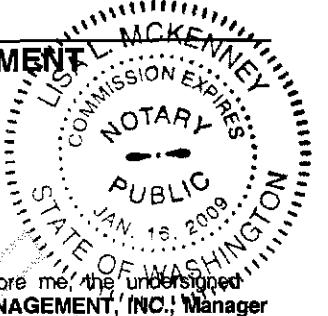
LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF King)

On this 22nd day of October, 20 07, before me, the undersigned Notary Public, personally appeared **M. GARY LASALA, President of LASALA FINANCIAL MANAGEMENT, INC., Manager of SKAGIT D-06, 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 Lisa L. McKenney
Notary Public in and for the State of WA

Residing at Maple Valley
My commission expires 1-16-09



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MODIFICATION OF DEED OF TRUST
(Continued)

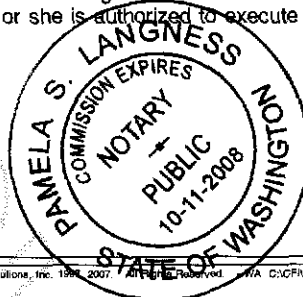
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LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Snohomish)

On this 5th day of November, 20 07, before me, the undersigned Notary Public, personally appeared Mary Jane and personally known to me or proved to me on the basis of satisfactory evidence to be the SUB, authorized agent for **Frontier Bank** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **Frontier Bank**, duly authorized by **Frontier Bank** 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 in fact executed this said instrument on behalf of **Frontier Bank**.

By Samela Langness
Notary Public in and for the State of WA



Residing at Everett
My commission expires 10-11-08

LASER PRO Lending, Ver. 5.98.10.001 Copr. Harland Financial Solutions, Inc. 1999-2007. All Rights Reserved WA C:\CF\PL\LG202.FG TR-46256 PR-COMLLOC



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Skagit County Auditor

Schedule "C"
Legal description

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Parcel "A":

The Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 35, Township 34 North, Range 4 East, W.M., EXCEPT the North $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ thereof, AND EXCEPT portion, if any, conveyed to Skagit County for Mountain View Road, by deed recorded under Auditor's File No. 177829.

Parcel "B":

The Northeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ and the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 35, Township 34 North, Range 4 East, W.M.

Parcel "C":

The East $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 35, Township 34 North, Range 4 East, W.M.

Parcel "D":

The Southwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 26, Township 34 North, Range 4 East, W.M., TOGETHER WITH a non-exclusive easement for ingress and egress over and across the West 30 feet of the Southeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$, Section 26, Township 34 North, Range 4 East, W.M.

Parcel "E":

The North $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ and the West $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ of Section 35, all in Township 34 North, Range 4 East, W.M.;

TOGETHER WITH a 60-foot ingress/egress and utility easement granted to the City of Mount Vernon on said "PLAT OF EAGLEMONT, PHASE 1A", as recorded under Auditor's File No. 9401250031, in Volume 15 of Plats, pages 130-146, inclusive, records of Skagit County, Washington, as shown on pages 5 of 17 and 7 of 17 thereof, labeled thereon as Eaglemont Drive;



ALSO TOGETHER WITH a non-exclusive easement for access and utilities located in the Southwest quarter of the Southwest quarter Section 26 Township 34 North Range 4 East being 60 feet in width lying 30 feet on each side of the following described centerline:

Commencing at the Southwest corner of said Southwest quarter of the Southwest quarter of said Section 26; **thence** North $1^{\circ} 14' 28''$ East along the East line of said subdivision, 661.99 feet to the intersection with the centerline of Eaglemont Drive, as shown on Sheet 7 of 17, Plat of Eaglemont Phase 1A as recorded under Auditor's File #9401250031, said intersection point also being on a curve to the right whose radius point bears South $39^{\circ} 10' 47''$ West a distance of 320.00 feet, said intersection also being the **TRUE POINT OF BEGINNING** for this description: **thence** along the arc of said curve to the right in a Southeasterly direction through a central angle of $4^{\circ} 46' 54''$ an arc distance of 26.71 feet to a point of compound curvature to the left with a radius of 744.79 feet; **thence** along the arc of said curve to the left a Southeasterly direction through a central angle of $7^{\circ} 23' 05''$ an arc distance of 95.99 feet; **thence** South $53^{\circ} 25' 25''$ East 485.49 feet to the beginning of a curve to the right having a radius of 215.00 feet; **thence** along said curve to the right in a Southeasterly direction through a central angle of $51^{\circ} 43' 42''$ an arc distance of 194.11 feet; **thence** South $1^{\circ} 41' 43''$ East 142.75 feet to the intersection with the South line of said Section 26, and the terminus of said centerline.

The outer lines of said easement are to be either lengthened or shortened to attach to the starting and ending boundaries.

Parcel "F":

The Southeast $\frac{1}{4}$ of the Southwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 26, Township 34 North, Range 4 East, W.M., Skagit County, Washington.

