

**RETURN ADDRESS:**

Pacific Continental Bank  
RE:  
PO Box 10727  
Eugene, OR 97440



200808050048  
Skagit County Auditor

8/5/2008 Page 1 of 5 3:13PM

CHICAGO TITLE CO. IC40621

**POOR ORIGINAL**

**MODIFICATION OF DEED OF TRUST**

Reference # (if applicable): IC40621/15540 /200611080126

Additional on page \_\_\_\_

Grantor(s):

1. Windward Real Estate Services, Incorporated

Grantee(s)

1. Pacific Continental Bank

Legal Description: Tr 2, SP 89-79 and PTN NE 23/34/4

Additional on page \_\_\_\_

Assessor's Tax Parcel ID#: 340423-1-001-0006, 340423-1-003-0004, 340423-0-007-0002,  
340423-0-011-0006

**THIS MODIFICATION OF DEED OF TRUST dated July 29, 2008, is made and executed between Windward Real Estate Services, Incorporated, who acquired title as Windward Real Estate Services, Inc., a Washington corporation, whose address is 7981 168th Ave. NE #118, Redmond, WA 98052 ("Grantor") and Pacific Continental Bank, whose address is Washington Loan Operations, 1100 Olive Way, Suite 102, Seattle, WA 98101 ("Lender").**

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

Loan No: 15540

Page 2

**DEED OF TRUST.** Lender and Grantor have entered into a Deed of Trust dated November 3, 2006 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded November 8, 2006 as Reception #200611080126, in the official records of Skagit County, State of Washington.

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

See legal description in Deed of Trust described above, which is made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as 70 acre lot, Mt. Vernon, WA 98273. The Real Property tax identification number is 340423-1-001-0006, 340423-1-003-0004, 340423-0-007-0002, 340423-0-011-0006.

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

**Maturity Date:** Extend Maturity Date from November 1, 2007 to June 15, 2009.

**Principal Increase:** Principal increase from \$1,000,000.00 to \$1,190,000.00.

**Releases:** The following terms will be modified or added to the "Releases" section of the Deed of Trust:

b) Borrower shall pay Lender an additional principal payment equal to 100% of net sale proceeds or \$135,000.00, whichever is greater, for each lot released.

**DEFINITIONS:** The following word(s) shall have the following meaning(s) when used in this Deed of Trust.

**NOTE:** The word "Note" now means the Promissory Note dated July 29, 2008 in the original principal amount of \$1,190,000.00 from Borrower to Lender, together with all renewals, extensions, modifications, refinancings, consolidations and substitutions for the note or credit agreement. This note is being offered in substitution for the Promissory Note dated November 3, 2006 in the original principal amount of \$1,000,000.00.

**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 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 JULY 29, 2008.**

**GRANTOR:**

**WINDWARD REAL ESTATE SERVICES, INCORPORATED**

By:

James Tosti, President of Windward Real Estate Services, Incorporated



200808050048  
Skagit County Auditor

8/5/2008 Page

2 of

5 3:13PM

MODIFICATION OF DEED OF TRUST  
(Continued)

Loan No: 15540

Page 3

LENDER:

PACIFIC CONTINENTAL BANK

x Bon Lambert  
Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF Washington )  
COUNTY OF King ) SS  
)

On this 1st day of August, 20 08, before me, the undersigned Notary Public, personally appeared James Tosti, President of Windward Real Estate Services, Incorporated, and personally known to me or proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, 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 corporation.

By [Signature]  
Notary Public in and for the State of WA  
Notary Public  
MICHAEL J. GRANESE  
My Appointment Expires Jul 28, 2010

Residing at 518 CENTRAL WAY  
My commission expires July 28, 2010

LENDER ACKNOWLEDGMENT

STATE OF Wa )  
COUNTY OF King ) SS  
)

DARLENE G. DUNN  
NOTARY PUBLIC  
STATE OF WASHINGTON  
COMMISSION EXPIRES  
JULY 19, 2011

On this 4th day of August, 20 08, before me, the undersigned Notary Public, personally appeared BONNIE LAMBERT and personally known to me or proved to me on the basis of satisfactory evidence to be the OFFICER, authorized agent for Pacific Continental Bank that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Pacific Continental Bank, duly authorized by Pacific Continental 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 Pacific Continental Bank.

By Darlene G. Dunn  
Notary Public in and for the State of Wa

Residing at Seattle  
My commission expires 7-19-11



200808050048  
Skagit County Auditor

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

**Loan No: 15540**

**Page 4**

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**EXHIBIT "A"**

**PARCEL A:**

Tract 2 of Revised Short Plat No. 89-79, approved December 17, 1979 and recorded December 19, 1979, under Auditor's File No. 7912190032, in volume 4 of Short Plats, Page 15, records of Skagit County, Washington; being a portion of the Northeast quarter of Section 23, Township 34 North, Range 4 East, W.M.;

TOGETHER WITH a non-exclusive easement over and across a portion of the North 20 feet of Lot 1 of said Short Plat, as delineated on the face of said Short Plat;

Situated in Skagit County, Washington

**PARCEL B:**

That portion of the Northeast quarter of Section 23, Township 34 North, Range 4 East, W.M., lying Easterly of the Nookachamps Creek, Southerly of the road known as the J.W. Knapp Road, and South of a line drawn from a point in the East line of said Northeast quarter, which is 1225 feet North of the Southeast corner of said subdivision and running North 89° and 10' West to said Nookachamps Creek;

EXCEPT the following described two tracts therein:

BEGINNING at a point on the East line of said Northeast quarter which is 330 feet North of the Southeast corner of said Northeast quarter;  
Thence North along said East line, 330 feet;  
Thence West parallel to the South line of said Northeast quarter, a distance of 660 feet;  
Thence South parallel to said East line 330 feet;  
Thence East parallel to said South line, 660 feet to the point of beginning;

The County road right-of-way commonly known as the Baker Heights Road.

Situated in Skagit County, Washington

**- END OF EXHIBIT "A" -**



200808050048

Skagit County Auditor

8/5/2008 Page

5 of

5 3:13PM