

RETURN ADDRESS:

Horizon Bank
CML % Documentation
Dept - KZ
2211 Rimland Dr, Ste 230
Bellingham, WA 98226



200901300065

Skagit County Auditor

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CHICAGO TITLE CO.

1QB-3141

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200607250145 (CMLF1372)

Additional on page ____

Grantor(s):

1. RKL Construction LLC

Grantee(s)

1. Horizon Bank

Legal Description: Ptn Lts 6-8, Blk 1304, NORTHERN PACIFIC ADD. TO ANACORTES

Additional on page 2

Assessor's Tax Parcel ID#: 3809 304 008 0100 (P124359)

THIS MODIFICATION OF DEED OF TRUST dated January 14, 2009, is made and executed between RKL Construction LLC; A Washington Limited Liability Company ("Grantor") and Horizon Bank, whose address is 1500 Cornwall Ave, PO Box 580, Bellingham, WA 98227-0580 ("Lender").

ACCOMMODATION RECORDING

Chicago Title Company has placed
this document for recording as a
customer courtesy and accepts no
liability for its accuracy or validity

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

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated July 21, 2006 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded July 25, 2006, Recording No. 200607250145, Skagit County Auditor.

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

Lots 6 and 7 and the Easterly Half of Lot 8, Block 1304, NORTHERN PACIFIC ADDITION TO ANACORTES, according to the plat thereof, recorded in Volume 2 of Plats, Pages 9 through 11, records of Skagit County, Washington.

(Also shown as Parcel A, of Survey recorded November 1, 2005, under Auditor's File No. 200511010118, records of Skagit County, Washington)

Situate in Skagit County, Washington.

The Real Property or its address is commonly known as 3813 W. 2nd Street, Anacortes, WA 98221. The Real Property tax identification number is 3809 304 008 0100 (P124359).

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

The Promissory Note evidenced by the Note dated January 14, 2009 is in the amount of \$341,500.00, which shall be and remain secured by the Deed of Trust.

This Note is a renewal and replacement of Promissory Note from Borrower to Lender dated July 21, 2006 in the original amount of \$341,500.00. All references in the loan documents to the old Note shall be deemed to be a reference to the new Note.

CROSS-COLLATERALIZATION: In addition to the Note, this Deed of Trust secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

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.

COUNTERPARTS. This Agreement may be executed in a number of identical counterparts and by each party on a separate counterpart. If so executed, all of such counterparts shall collectively constitute one agreement.

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 JANUARY 14, 2009.



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MODIFICATION OF DEED OF TRUST
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GRANTOR:

RKL CONSTRUCTION LLC

By: Robert K Lehr, Member of RKL Construction LLC

By: Patricia Lehr, Member of RKL Construction LLC

LENDER:

HORIZON BANK

X Carol Van It
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

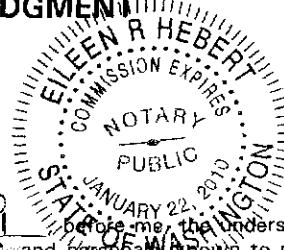
STATE OF Washington

COUNTY OF Skagit

On this 15th day of Jan, 20 09, before me, the undersigned Notary Public, personally appeared Robert K Lehr, Member of RKL Construction 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 Eileen Hebert
Notary Public in and for the State of WA

Residing at Anacortes
My commission expires Jan 22, 2010



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MODIFICATION OF DEED OF TRUST
(Continued)

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LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington

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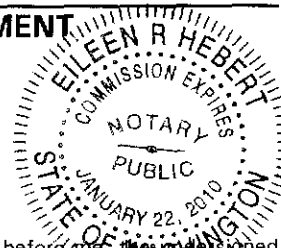
On this 15th day of Jan, 20 09, before me, the undersigned Notary Public, personally appeared Patricia Lehr, Member of RKL Construction LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be a member or designated agent of the limited liability company that executed 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 Eileen Hebert

Notary Public in and for the State of WA

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LENDER ACKNOWLEDGMENT

STATE OF Washington

COUNTY OF Skagit

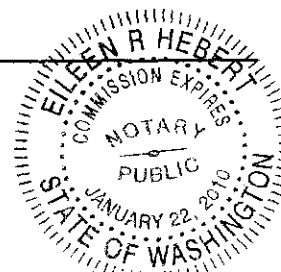
On this 15th day of Jan, 20 09, before me, the undersigned Notary Public, personally appeared Carol VanDersa and personally known to me or proved to me on the basis of satisfactory evidence to be the Vice President, authorized agent for Horizon Bank that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Horizon Bank, duly authorized by Horizon 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 Horizon Bank.

By Eileen Hebert

Notary Public in and for the State of WA

Residing at Anacortes

My commission expires Jan 22, 2010



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