



200912010052

Skagit County Auditor

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RETURN DOCUMENT TO:

Lisa, Inc.
c/o Concrete Nor-West
PO Box 280
Mount Vernon, WA 98273

DOCUMENT TITLE: CONTRIBUTION AGREEMENT DEED OF TRUST**RELATED DOCUMENT:****GRANTOR: TRILLIUM CORPORATION, a Washington corporation****GRANTEE: LISA, INC., a Washington corporation**

ABBREVIATED LEGAL: PTN S3 IN T35N, R4EWM; PTN S26, 27, 34 & 35 IN T36N, R4EWM
(Additional Legal Located on Page 5-6 of Document.)

ASSESSOR'S TAX PARCEL NOS.: P35704 (350403-0-006-0006),
P50087 (360426-3-003-0104), P50155 (360427-4-002-0003), P125644 (360427-4-003-0100)
P125645 (360427-4-003-0200), P125646 (360427-4-003-0300), P125647 (360427-4-003-0400)
P125648 (360427-4-003-0500), P125649 (360427-4-003-0600), P125618 (360434-1-001-0100)
P125619 (360434-1-001-0200), P125620 (360434-1-001-0300), P125621 (360434-1-001-0400)
P125622 (360434-1-001-0500), P125623 (360434-1-001-0600), P125624 (360434-1-001-0700)
P125625 (360434-1-001-0800), P125626 (360434-1-001-0900), P125627 (360434-1-001-1000)
P125628 (360434-1-001-1100), P125629 (360434-1-001-1200), P125630 (360434-1-001-1300)
P125631 (360434-1-001-1400), P125632 (360434-1-001-1500), P125633 (360434-1-001-1600)
P125634 (360434-1-001-1700), P125635 (360434-1-001-1800), P125636 (360434-1-001-1900)
P125637 (360434-1-001-2000), P125638 (360434-1-001-2100), P125639 (360434-1-001-2200)
P125640 (360435-2-004-0100), P125641 (360435-2-004-0200), P125642 (360435-2-004-0300)
P125643 (360435-2-004-0400)

CHICAGO TITLE CO.

ACCOMMODATION RECORDING

620004940

CONTRIBUTION AGREEMENT DEED OF TRUST

THIS DEED OF TRUST, made this ____ day of November, 2009, between TRILLIUM CORPORATION, a Washington corporation, as GRANTOR, whose address is 1329 N State Street, Suite 201, Bellingham, Washington 98225, and WHATCOM LAND TITLE COMPANY, INC., a Washington corporation, as TRUSTEE, whose address is 2011 Young Street, Bellingham, WA 98225, and BENEFICIARY, LISA, INC., a Washington corporation, whose address is PO Box 280, Mount Vernon, WA 98273.

WITNESSETH: Grantor hereby bargains, sells, and conveys to Trustee in trust, with power of sale, the following described real property in ~~Whatcom~~ Skagit County, Washington:

All of Grantor's interest in the sand, clay, gravel, aggregate, granite, stone, and rock, including decorative rock located on, in or under the real property legally described in the attached Exhibit

A.

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues, and profits thereof.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor contained in this Deed of Trust, and performance of Grantor's obligations under that certain Contribution Agreement between Grantor and Beneficiary of even date herewith, including the agreement to convey the Rock or the Property under the terms and conditions set forth in the Contribution Agreement, the obligation to clear the title of the Property of the mineral rights under the Three Rivers Deed, and the requirement to pay liquidated damages in the amount of \$5,000,000 (collectively, the "Obligations").

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.

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



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6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

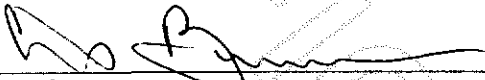
1. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor and the Beneficiary, or upon satisfaction of the Obligations secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
2. Upon default by Grantor in the Obligations secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the Obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.
3. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
4. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
5. In the event of the death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor, Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
6. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.



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7. So long as this Deed of Trust remains outstanding, Grantor shall not undertake to log the Property, extract minerals or Rock from the Property, lease the Property, permit or grant liens against the Property or the Rock, grant easements or road use permits over the Property, or change or consent to a change in any Urban Growth Boundaries or other entitlement issues that might adversely impact the future development potential of the Property. Capitalized terms in this paragraph will have the meaning given them in the Contribution Agreement.

TRILLIUM COROPRATION, a
Washington corporation



By: Chris Benner
Its: VP - Real Estate



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STATE OF WASHINGTON)
) ss.
COUNTY OF WHATCOM)

I certify that I know or have satisfactory evidence that Chris Benner is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledge it as the VP-Real Estate of Trillium Corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED this 19th day of November, 2009.



Valorie Handerson
Valorie Handerson
Notary Public in and for the State of Washington,
Residing at: Sumas
My commission expires: 8/30/12



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EXHIBIT "A"
Legal Descriptions

P35704 (350403-0-006-0006) (new legal)

The West Half of the Northwest Quarter of the Northeast Quarter of Section 3, Township 35 North, Range 4 East of the Willamette Meridian;

TOGETHER WITH that portion of the Southwest Quarter of the Northeast Quarter of Section 3, Township 35 North, Range 4 East, W.M., lying northerly of Gripp Road.

Situate in Skagit County, Washington.

P50087 (360426-3-003-0104)

The Southwest Quarter of Section 26, Township 36 North, Range 4 East of the Willamette Meridian;

EXCEPT that portion lying Northeasterly of the Samish River as it existed October 20, 1977.

Situate in Skagit County, Washington.

P50155 (360427-4-002-0003)

P125644 (360427-4-003-0100)

P125645 (360427-4-003-0200)

P125646 (360427-4-003-0300)

P125647 (360427-4-003-0400)

P125648 (360427-4-003-0500)

P125649 (360427-4-003-0600)

The Southeast Quarter of Section 27, Township 36 North, Range 4 East of the Willamette Meridian.

EXCEPT that portion lying Northwesterly of the centerline of the Samish River.

Situate in Skagit County, Washington.

P125618 (360434-1-001-0100)

P125619 (360434-1-001-0200)

P125620 (360434-1-001-0300)

P125621 (360434-1-001-0400)

P125622 (360434-1-001-0500)

P125623 (360434-1-001-0600)

P125624 (360434-1-001-0700)

P125625 (360434-1-001-0800)



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P125626 (360434-1-001-0900)
P125627 (360434-1-001-1000)
P125628 (360434-1-001-1100)
P125629 (360434-1-001-1200)
P125630 (360434-1-001-1300)
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P125633 (360434-1-001-1600)
P125634 (360434-1-001-1700)
P125635 (360434-1-001-1800)
P125636 (360434-1-001-1900)
P125637 (360434-1-001-2000)
P125638 (360434-1-001-2100)
P125639 (360434-1-001-2200)

The Northeast Quarter; the East Half of the Northwest Quarter; the East Half of the Southwest Quarter; the North Half of the Southeast Quarter and the Southwest Quarter of the Southeast Quarter of Section 34, Township 36 North, Range 4 East of the Willamette Meridian.

Situate in Skagit County, Washington.

P125640 (360435-2-004-0100)
P125641 (360435-2-004-0200)
P125642 (360435-2-004-0300)
P125643 (360435-2-004-0400)

The West Half of the Northwest Quarter of Section 35, Township 36 North, Range 4 East of the Willamette Meridian.

Situate in Skagit County, Washington.



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EXHIBIT B
Permitted Exceptions

1. Road Use Agreement, including the terms and conditions thereof,
By: Trillium Corporation
And Between: Georgia - Pacific Corporation
Recorded: October 30, 1990
Auditor's No: 9010300092, Records Of Skagit County
2. Easement For Ingress, Egress And Utilities And The Terms And Conditions Thereof;
Recorded: June 8, 1999
Auditor's No: 9906080074, Records Of Skagit County
3. Amendment to Right-of-way and Road Use Easement, including the terms and conditions thereof, disclosed by instrument;
Recorded: October 31, 2008
Auditor's No(s): 200810310019, records of Skagit County, Washington
By and Between: Trillium Corporation, a Washington Corporation and Cougar Peak, LLC, a Washington limited liability company
For: Right-of-way and road use
4. Easement, including the terms and conditions thereof, granted by instrument;
Recorded: June 25, 1945
Auditor's No(s): 381439, records of Skagit County, Washington
In favor of: Puget Sound Power & Light Company
For: Underground electric system, together with necessary appurtenances
5. Agreement, including the terms and conditions thereof; entered into;
By: Trillium Corporation
And Between: Myrtle and Leonard Heller
Recorded: April 28, 2004
Auditor's No.: 200404280121, records of Skagit County, Washington
Providing: Easement
6. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180197, records of Skagit County, Washington
Affects: P35704
7. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180203, records of Skagit County, Washington
Affects: P125644



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8. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706160204, records of Skagit County, Washington
Affects: P125645
9. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180205, records of Skagit County, Washington
Affects: P125646
10. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180206, records of Skagit County, Washington
Affects: P125647
11. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180208, records of Skagit County, Washington
Affects: P125648
12. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180209, records of Skagit County, Washington
Affects: P125649
13. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180177, records of Skagit County, Washington
Affects: P125618
14. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180178, records of Skagit County, Washington
Affects: P125619
15. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180179, records of Skagit County, Washington
Affects: P125620
16. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180180, records of Skagit County, Washington
Affects: P125621



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17. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180181, records of Skagit County, Washington
Affects: P125622
18. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180182, records of Skagit County, Washington
Affects: P125623
19. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180183, records of Skagit County, Washington
Affects: P125624
20. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180184, records of Skagit County, Washington
Affects: P125625
21. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 10, 2008
Auditor's No(s): 200806100012, records of Skagit County, Washington
Affects: P125626
22. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180185, records of Skagit County, Washington
Affects: P125627
23. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 10, 2008
Auditor's No(s): 200806100013, records of Skagit County, Washington
Affects: P125628
24. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180186, records of Skagit County, Washington
Affects: P125629
25. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180187, records of Skagit County, Washington
Affects: P125630



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26. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180188, records of Skagit County, Washington
Affects: P125631
27. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180189, records of Skagit County, Washington
Affects: P125632
28. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180190, records of Skagit County, Washington
Affects: P125633
29. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180191, records of Skagit County, Washington
Affects: P125634
30. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180192, records of Skagit County, Washington
Affects: P125635
31. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180193, records of Skagit County, Washington
Affects: P125636
32. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180194, records of Skagit County, Washington
Affects: P125637
33. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180195, records of Skagit County, Washington
Affects: P125638
34. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180196, records of Skagit County, Washington
Affects: P125639



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35. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180199, records of Skagit County, Washington
Affects: P125640
36. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180200, records of Skagit County, Washington
Affects: P125641
37. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180201, records of Skagit County, Washington
Affects: P125642
38. Terms, conditions, and restrictions of that instrument entitled Lot of Record Certification;
Recorded: June 18, 2007
Auditor's No(s): 200706180202, records of Skagit County, Washington
Affects: P125643
39. Electric Transmission Line Easement and the terms and conditions thereof;
Recorded: May 21, 1990
Auditor's No: 9005210060, records of Skagit County, Washington
In Favor of: Puget Sound Power and Light Company
40. Road Easement and Mineral Exceptions and Reservations as contained in deed
From: Three Rivers Timber Company
Recorded: July 7, 1989
Auditor's No: 8907070041, records of Skagit County, Washington
41. Road Easement and Mineral Exceptions and Reservations as contained in deed
From: Pope And Talbot, Inc.
Recorded: May 21, 1970
Auditor's No: 739219 records of Skagit County
42. Road Use Agreement, including the terms and conditions thereof,
By: Trillium Corporation
And Between: Georgia - Pacific Corporation
Recorded: October 30, 1990
Auditor's No: 9010300092, records of Skagit County, Washington
43. Mineral and/or Road Reservations as contained in deed
From: Crown Pacific, Ltd.
Recorded: December 14, 1989
Auditor's No: 8912140077 records of Skagit County, Washington



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44. Unrecorded Road Easement disclosed by deed;
Recorded: July 27, 1984
Auditor's No: 354249 records of Skagit County, Washington
Executed By: Bloedel Donovan Timber Company
45. Any unpatented mining claims and all matters and rights relating thereto.
46. Any prohibition or limitation on the use, occupancy, or improvement of the land resulting from the rights of the public or riparian owners to use any waters which may cover the land or to use any portion of the land which is now or may formerly have been covered by water.
47. Right of use, control, or regulation by the United States of America in the exercise of power over navigation.
48. Any question that may arise due to shifting or change in the course of the Swede Creek, Thomas Creek, Grandy Creek, Alder Creek, Palmer Lake, Silver Creek and Samish River or due to said Swede Creek, Thomas Creek, Grandy Creek, Alder Creek, Palmer Lake, Silver Creek and Samish River having shifted or changed its course.
49. Right of the State of Washington in and to that portion of the property described herein, if any, lying in the bed or former bed of the Swede Creek, Thomas Creek, Grandy Creek, Alder Creek, Palmer Lake, Silver Creek and Samish River, if navigable.
50. Terms and conditions contained in Application for Current Use Classification (entered into pursuant to RCW 84.33) disclosed by Skagit County Tax Rolls;
Classification: Commercial Forest and Other Land Use Classifications
- The property described herein may be subject to additional taxes, assessments, interest, and penalties upon withdrawal from said classification or change in use.
51. Reservations and exceptions in United States Patents or in Acts authorizing the issuance thereof.
52. Indian tribal codes or regulations, Indian treaty or aboriginal rights, including easements or equitable servitudes.
53. Water rights, claims, or title to water.



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