

RETURN ADDRESS:

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



200912300098

Skagit County Auditor

12/30/2009 Page 1 of 5 3:23PM

CHICAGO TITLE CO.

1063210

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200808050042 / 200809090086

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 PTB NE 23/34/4

Additional on page 5

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 December 15, 2009, 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").

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)**

Loan No: 15816

Page 2

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated July 29, 2008 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded on August 5, 2008 as Instrument No. 200808050042, and re-recorded on September 9, 2008 as Instrument No. 200809090086, all in the Official Records of Skagit County, Washington.

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

PARTIAL RELEASES:

The Paragraph title Partial Releases is hereby deleted in its entirety and replaced with the following:

Lender shall release portions to the Real Property (the "Lot(s)") from this Deed of Trust upon completed sales to third parties. Lender's obligation to release the Lots is subject to Borrower's satisfaction of the following conditions:

- a.) No Event of Default exists under the Promissory Note, Construction Loan Agreement, Deed of Trust, Guaranty Agreements or any other Related Documents;
- b.) Subject to Lender's prior written approval of each Lot sale price, 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. Payments shall be applied first to Loan #15540 until paid in full. Once Loan #15540 is paid, payments will be applied to Loan #15816. Notwithstanding the foregoing, as of the date of this Modification of Trust Deed, Borrower has negotiated the sale of two Lots (known as "Lots 3 & 4"), and Lender shall accept a reduced principal payment of \$100,000 each for the release of Lots 3 & 4. This reduced payment amount shall only apply to the sale of Lots 3 & 4; and
- c.) Borrower shall pay all costs and expenses incurred by Lender in connection with the review, preparation and recording of any documents relating to the release of any Lot (including Lender's reasonable attorney's fees, if any).

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 DECEMBER 15, 2009.

GRANTOR:

WINDWARD REAL ESTATE SERVICES, INCORPORATED

By: 

James E. Tosti, President of Windward Real Estate Services, Incorporated



200912300098
Skagit County Auditor

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 15816

Page 3

LENDER:

PACIFIC CONTINENTAL BANK

x

Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF Washington

COUNTY OF King

On this 22nd day of December, 2009, before me, the undersigned Notary Public, personally appeared James E. 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

HAO L. GUIN
Notary Public in and for the State of WA

Residing at

My commission expires

LENDER ACKNOWLEDGMENT

STATE OF Washington

COUNTY OF King

On this 22nd day of December, 2009, before me, the undersigned Notary Public, personally appeared Benjamin Lambert and personally known to me or proved to me on the basis of satisfactory evidence to be the 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

HAO L. GUIN
Notary Public in and for the State of WA

Residing at

My commission expires



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12/30/2009 Page

3 of

5 3:23PM

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

Loan No: 15816

Page 4

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Skagit County Auditor

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" -



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