

After recording mail to:

George D. Horton
Wells Fargo Bank, National Association
MAC P6101-121
1300 SW Fifth Avenue, Suite 1200
Portland, OR 97201



201107050093
Skagit County Auditor

7/5/2011 Page 1 of 5 10:31AM

DT# 200305190202

GUARDIAN NORTHWEST TITLE CO.

**SECOND AMENDMENT TO DEED OF TRUST, SECURITY AGREEMENT,
FIXTURE FINANCING STATEMENT AND
ASSIGNMENT OF LEASES AND RENTS**

73840-1

Grantor: Jerry L. Smith

Trustee: First American Title Insurance Company

Grantee/Beneficiary: Wells Fargo Bank, National Association

Abbreviated Legal Description: Parcel 1: Section 3, Township 34, Range 2; Ptn. NW ¼
and SW ¼ aka Lot 1 of Short Plat #95-020

Parcel 2: Lot 16 "Burlington Hill Business Park (Binding
Site Plan)"

Tax Parcel Numbers: Parcel 1: 340203-2-004-0100 P19719

Parcel 2: 8002-000-016-0005 P105951

**SECOND AMENDMENT TO DEED OF TRUST, SECURITY AGREEMENT
FIXTURE FINANCING STATEMENT AND
ASSIGNMENT OF LEASES AND RENTS**

THIS SECOND AMENDMENT TO DEED OF TRUST, SECURITY AGREEMENT, FIXTURE FINANCING STATEMENT AND ASSIGNMENT OF LEASES AND RENTS (this "Second Amendment") is made and entered into as of the 30th day of June, 2011, by and between JERRY L. SMITH (the "Grantor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association (the "Beneficiary").

WITNESSETH:

WHEREAS, pursuant to the terms of a Term Loan Agreement dated May 19, 2003 (the "Original Loan Agreement"), the Beneficiary made a real estate loan to the Grantor and Molly A. Smith ("M. Smith") (collectively, the "Original Borrowers") in the original principal amount of \$4,700,000 (the "Original Loan"); and

WHEREAS, the Original Loan was evidenced by that certain Real Estate Note dated May 19, 2003, in the original principal amount of \$4,700,000 executed by the Original Borrowers in favor of the Beneficiary (the "Original Note"); and

WHEREAS, the Original Note was secured by, among other things, that certain Deed of Trust, Security Agreement, Fixture Financing Statement and Assignment of Leases and Rents dated May 19, 2003 (the "Deed of Trust"), executed by the Original Borrowers in favor of the Beneficiary, encumbering the property legally described on Exhibit A attached hereto and hereby made a part hereof (the "Property"); and

WHEREAS, the Deed of Trust was filed of record in the office of Skagit County Auditor on May 19, 2003, as Document No. 200305190202; and

WHEREAS, M. Smith has conveyed her interest in the Property to the Grantor; and

WHEREAS, pursuant to the terms of that certain Consent and Assumption Agreement dated June 16, 2006 (the "Assumption Agreement"), the Grantor assumed all of the obligations of M. Smith under and pursuant to the Original Note, the Deed of Trust and the Original Loan Agreement (the "Loan Documents") and M. Smith was released of her obligations under the Loan Documents; and

WHEREAS, the Assumption Agreement was filed of record in the office of Skagit County Auditor on July 10, 2006 as Document No. 200607100171; and

WHEREAS, pursuant to that certain Amendment Agreement dated June 16, 2006, by and between the Beneficiary and the Grantor, the Beneficiary agreed to increase the amount of the Original Loan from \$4,700,000 to \$5,943,750 (the "Loan"); and



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WHEREAS, to reflect the foregoing, the Grantor executed and delivered to the Beneficiary that certain Amended and Restated Real Estate Note dated June 16, 2006, in the original principal amount of \$5,943,750 (the "First Restated Note"), which amends and restates amounts outstanding under the Original Note and increases the amount of the Original Note from \$4,700,000 to \$5,943,750; and

WHEREAS, the Deed of Trust was amended by that certain Amendment to Deed of Trust, Security Agreement, Fixture Financing Statement and Assignment of Leases and Rents dated as of June 16, 2006 (the "Deed of Trust First Amendment"); and

WHEREAS, the Deed of Trust First Amendment was filed of record in the office of the Skagit County Auditor on July 10, 2006 as Document No. 200607100172; and

WHEREAS, there is currently outstanding under the First Restated Note the principal amount of \$5,153,911.25, together with accrued interest thereon; and

WHEREAS, pursuant to that certain Second Amendment Agreement of even date herewith by and between the Beneficiary and the Grantor, the Beneficiary agreed to increase the amount of the Loan by \$500,000; and

WHEREAS, in connection with the foregoing, the Grantor has executed and delivered to the Beneficiary that certain Second Amended and Restated Real Estate Note of even date herewith in the original principal amount of \$5,653,911.25 (the "Second Restated Note"), which amends and restates the principal amount outstanding under the Original Note, as amended and restated by the First Restated Note, and increases the principal amount of the First Restated Note to \$5,653,911.25.

WHEREAS, the Grantor and the Beneficiary desire to amend the Deed of Trust to secure the Second Restated Note.

NOW THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Amounts secured by the Deed of Trust shall now be evidenced by the Original Note, as amended and restated pursuant to the terms of the First Restated Note and as amended and restated pursuant to the terms of the Second Restated Note. Any and all references in the Deed of Trust to the "Note" shall mean and refer to the Original Note, as amended and restated pursuant to the terms of the First Restated Note and as further amended and restated pursuant to the terms of the Second Restated Note. The full amount of principal plus accrued interest under the Second Restated Note shall be due and payable on July 1, 2014.

2. Except as expressly amended herein and in the Deed of Trust First Amendment, the Deed of Trust shall be and remain in full force and effect in accordance with its original terms.



IN WITNESS WHEREOF, the parties hereto have made and entered into this Second Amendment as of the day and year first above written.

Jerry L. Smith
Jerry L. Smith

STATE OF WASHINGTON)
) ss.
COUNTY OF Skagit)

The foregoing instrument was acknowledged before me this 30 day of June, 2011, by Jerry L. Smith, an individual.

Nadeane M. Jantz
Notary Public



WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: Robert Lampson
Its: VICE PRESIDENT

STATE OF WASHINGTON)
) ss.
COUNTY OF Skagit)

The foregoing instrument was acknowledged before me this 30 day of June, 2011, by ROBERT LAMPSON, the VICE PRESIDENT of Wells Fargo Bank, National Association a national banking association, for and on behalf of said association.

Nadeane Jantz
Notary Public

THIS INSTRUMENT DRAFTED BY:
Winthrop & Weinstine, P.A. (JJH)
Suite 3500
225 South Sixth Street
Minneapolis, Minnesota 55402



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[SIGNATURE PAGE TO SECOND AMENDMENT TO DEED OF TRUST]



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EXHIBIT A

(Legal Description)

PARCEL 1 Lot 1 of Short Plat No. 95-020, as approved May 6, 1996 and recorded May 13, 1996 in Volume 12 of Short Plats, pages 96 and 97, under Auditor's File No. 9605130078, records of Skagit County, Washington; EXCEPT that portion conveyed to the City of Anacortes under Auditor's File No. 200605220148.

PARCEL 2 Tract 16, of Burlington Hill Business Park Binding Site Plan, approved September 7, 1994, recorded September 8, 1994, in Volume 11 of Short Plats, Pages 109 through 112, under Auditor's File No. 9409080052, records of Skagit County, Washington, being a portion of the Southwest $\frac{1}{4}$ of Section 29, Township 35 North, Range 4 East, W.M.



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