

When Recorded Return to:
Dennis Gregg
Lindal Cedar Homes, Inc.
P.O. Box 24426
Seattle, WA 98124



201110260060
Skagit County Auditor

10/26/2011 Page 1 of 4 11:51AM

CHICAGO TITLE
620013454
RELEASE AGREEMENT

Grantor: Spruce Street, LLC
Grantee: KeyBank National Association
Abbrev. Legal: Ptn Lots 3, 4, 7 and 8; Albertson's Addition, Skagit County, WA
Assessor Tax Parcel #: 4078-009-011-007 (P72436)
Related Documents: 200908310137

This RELEASE AGREEMENT (this "Agreement") is dated this 15th day of September, 2011, by and between SPRUCE STREET, LLC ("Indemnitor") and KEYBANK NATIONAL ASSOCIATION ("KeyBank").

WHEREAS, Indemnitor and KeyBank are parties to that certain Hazardous Substances Agreement dated July 31, 2009 and recorded on August 31, 2009 at Skagit County Auditor's File Number 200908310137, as amended by Amendment to Hazardous Substances Agreement (collectively "Hazardous Substances Agreement"), which were entered into with respect to a \$2,000,000 loan by KeyBank to Lindal Cedar Homes, Inc. and Reimbursement Agreement between KeyBank and Lindal Cedar Homes, Inc. dated December 1, 2000 with respect to a Letter of Credit in the amount of \$3,536,878.95, as amended by First Amendment dated May 29, 2003, Second Amendment dated June 1, 2004, Third Amendment dated July 31, 2009 and Fourth Amendment dated April 7, 2010.

WHEREAS, the Loan and the obligations under the Reimbursement Agreement have been paid and satisfied.

NOW, THEREFORE, the parties hereto agree as follows:

1. The Hazardous Substances Agreement is not secured by the real property legally described in Exhibit A attached hereto ("Real Property") and this Release Agreement shall be recorded with the Skagit County Auditor to release the Real Property of record from the Hazardous Substances Agreement.

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Robert W. Lindal is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as Manager of SPRUCE STREET, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: 9/21, 2011.

Sherrill H. McCullough
Notary Public in and for the State of Washington
residing at Fossburg
Print name: Sherrill H. McCullough
Commission expires: 6/10/14

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Robert W. Lindal ^{Martin} is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as Manager of SPRUCE STREET, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

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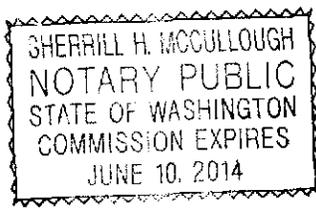


EXHIBIT A

The East Half and the North 25 feet of the West Half of Block 3; all of Block 4, EXCEPT the North 25 feet of the West Half; the South 13 feet of Lot 8, Block 6 and all of Blocks 7, 8 and 9, inclusive, all located in Albertson's Addition to the Town of Burlington, according to the plat thereof recorded in Volume 4 of Plats, page 1, records of Skagit County, Washington;

Also, together with those portions of Acre Street and Mount Vernon Street vacated by City of Burlington Ordinance #874 and that portion of Byron Street vacated by City of Burlington Ordinance No. 880; EXCEPT the West 15 feet of Byron Street adjacent to Block 5 of said Plat; AND EXCEPT the East 15 feet of the North 50 feet of Byron Street as vacated by said Ordinance No. 880.

Situated in Skagit County, Washington.

