

RETURN ADDRESS:
PEOPLES BANK
MOUNT VERNON OFFICE
1801 RIVERSIDE DRIVE
MOUNT VERNON, WA
98273



201112220073
Skagit County Auditor

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LAND TITLE OF SKAGIT COUNTY
140944-SS

MODIFICATION OF DEED OF TRUST

20112010079

Reference # (if applicable): _____

Additional on page _____

Grantor(s):

1. RED SAGE LANDS LLC

Grantee(s)

1. PEOPLES BANK

Legal Description: PTN NW 1/4 OF NE 1/4, 24-34-3 E W.M.

Additional on page 3

Assessor's Tax Parcel ID#: PARCEL A 340324-1-012-0003 P22577 AND PARCEL B
340324-1-009-0003 P22573

THIS MODIFICATION OF DEED OF TRUST dated December 21, 2011, is made and executed between RED SAGE LANDS LLC, A WASHINGTON LIMITED LIABILITY COMPANY, whose address is 5722 Campbell Lake Rd, Anacortes, WA 98221-8470 ("Grantor") and PEOPLES BANK, whose address is MOUNT VERNON OFFICE, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender").

MODIFICATION OF DEED OF TRUST

Loan No: 5038439-202

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(Continued)

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated November 29, 2011 (the "Deed of Trust") which has been recorded in SKAGIT County, State of Washington, as follows:

recorded December 1, 2011 under recording number 201112010079 records of Skagit County, State of 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 17618 DUNBAR ROAD, MOUNT VERNON, WA 98273. The Real Property tax identification number is PARCEL A 340324-1-012-0003 P22577 AND PARCEL B 340324-1-009-0003 P22573.

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

THIS MODIFICATION OF DEED OF TRUST AMENDS THE DEED OF TRUST DATED NOVEMBER 29, 2011 WITH THE FOLLOWING AMENDMENTS:

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATED DECEMBER 21, 2011 FROM GRANTOR TO LENDER, TOGETHER WITH ALL RENEWALS OF, EXTENSIONS OF, MODIFICATIONS OF, REFINANCINGS OF, CONSOLIDATIONS OF, AND SUBSTITUTIONS FOR THE PROMISSORY NOTE OR AGREEMENT.

THE PRINCIPAL AMOUNT IS \$500,000.00, WHICH INCLUDES A NEW ADVANCE OF \$150,000.00.

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 endorsers 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 21, 2011.

GRANTOR:

RED SAGE LANDS LLC

BY: *[Signature]*
JACKIE WERNER, Member of RED SAGE LANDS LLC

BY: *[Signature]*
GUY THORNBURG, Member of RED SAGE LANDS LLC

LENDER:

PEOPLES BANK

X *[Signature]*
Authorized Officer



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UNOFFICIAL COPY

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5038439-202

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LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

Notary Public
State of Washington
KRISTIN R. STEWART
MY COMMISSION EXPIRES
SEPTEMBER 29, 2013

On this 22nd day of December, 20 11, before me, the undersigned Notary Public, personally appeared **JACKIE HEINRICHER, Member of RED SAGE LANDS LLC and GUY THORNBURGH, Member of RED SAGE LANDS LLC**, and personally known to me or proved to me on the basis of satisfactory evidence to be members or designated agents 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 they are authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

By Kristin R. Stewart
Notary Public in and for the State of WA

Residing at 2003 M Avenue, Anacortes, WA 98221
My commission expires 9-29-2013

LENDER ACKNOWLEDGMENT

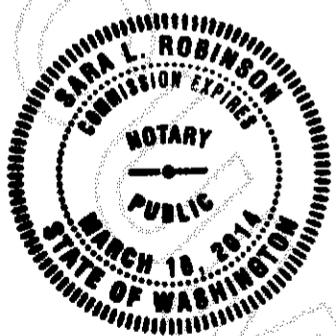
STATE OF Washington)
) SS
COUNTY OF Skagit)

On this 22 day of December, 20 11, before me, the undersigned Notary Public, personally appeared Jim Vandenberg and personally known to me or proved to me on the basis of satisfactory evidence to be the Executive President, authorized agent for **PEOPLES BANK** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **PEOPLES BANK**, duly authorized by **PEOPLES 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 **PEOPLES BANK**.

By Sara L. Robinson
Notary Public in and for the State of WA

Residing at Bellingham WA
My commission expires March 16, 2014

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WA P:\CFIWIN\CFILPL\G202.FC TR-22452 PR-4



Schedule "A-1"

DESCRIPTION:

PARCEL "A":

Tract "D" of Short Plat No. 28-76, approved July 15, 1976 and recorded July 16, 1976 in Volume 1 of Short Plats, page 150, under Auditor's File No. 839197, records of Skagit County, Washington; (being a portion of the West ½ of the Northwest ¼ of the Northeast ¼ of Section 24, Township 34 North, Range 3 East, W.M.)

TOGETHER WITH a non-exclusive easement for ingress, egress and utilities as shown on said Short Plat.

Situate in the County of Skagit, State of Washington.

PARCEL "B":

The East ½ of the Northwest ¼ of the Northeast ¼ of Section 24, Township 34 North, Range 3 East, W.M.,

EXCEPT ditch right of ways,

ALSO EXCEPT the following described tracts:

- 1.) The Southeast ¼ of the Northwest ¼ of the Northeast ¼.
- 2.) Beginning at the Northeast corner of said Northwest ¼ of the Northeast ¼; thence West along the North line of said subdivision a distance of 208 feet; thence South parallel with the East line of said Northwest ¼ of the Northeast ¼ a distance of 224.42 feet; thence East parallel with the North line of said Northwest ¼ of the Northeast ¼ a distance of 208 feet to the East line of said subdivision; thence North along the East line of said Northwest ¼ of the Northeast ¼ a distance of 224.42 feet to the point of beginning.
- 3.) The West 155 feet of the North 135 feet of that portion of the East ½ of the Northwest ¼ of the Northeast ¼ of Section 24, Township 34 North, Range 3 East, W.M., lying South of the Dunbar Road running along the North line of said subdivision.
- 4.) The South 83 feet of the North 238 feet of the West 155 feet of the East ½ of the Northwest ¼ of the Northeast ¼ of Section 24, Township 34 North, Range 3 East, W.M.

TOGETHER WITH an easement for ingress, egress and utilities over, under and across the East 20 feet of the West 175 feet of the North 155 feet of that portion of the East ½ of the Northwest ¼ of the Northeast ¼ of Section 24, Township 34 North, Range 3 East, W.M., lying South of the Dunbar Road.

Situate in the County of Skagit, State of Washington.



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