

Recording Requested By;
After Recording Return to:

HomeStreet Bank
Income Property Finance
601 Union Street, Suite 2000
Seattle, WA 98101-2326
Attn: Laura Pattie



201205170034

Skagit County Auditor

5/17/2012 Page 1 of 8 10:38AM

CHICAGO TITLE
IC41566B

 HomeStreet Bank

THIRD AMENDMENT TO DEED OF TRUST

| | |
|---|--|
| Grantors: | ROETER COOK ROAD LLC LARSON COOK ROAD LLC BISSELL REAL ESTATE HOLDINGS, LLC |
| <input type="checkbox"/> Additional on page ____ | |
| Grantee(s): | Trustee: CHICAGO TITLE INSURANCE COMPANY |
| | Beneficiary: HOMESTREET BANK |
| <input type="checkbox"/> Additional on page ____ | |
| Legal Description (abbreviated): | Lots 1, 2 and 3, Binding Site Plan No. PL07-0601, being a portion of the Southeast Quarter 19-35-4 |
| <input type="checkbox"/> Complete legal on <u>EXHIBIT A</u> | |
| Assessor's Tax Parcel Identification No(s): | P127416; P127417; P127418 |
| Reference Nos. of Documents Affected: | 200801170086 |

THIS THIRD AMENDMENT to Deed of Trust (this "*Amendment*") is dated effective as of May 10, 2012, and is made by and among:

Grantor/Trustor: ROETER COOK ROAD LLC
LARSON COOK ROAD LLC, and
BISSELL REAL ESTATE HOLDINGS, LLC
c/o Alliance Management
801 2nd Avenue, Suite 1501
Seattle, WA 98104

Grantee/Trustee:

CHICAGO TITLE INSURANCE COMPANY
3002 Colby Ave., Suite 200
Everett, WA 98201

Grantee/Beneficiary:

HOMESTREET BANK
Income Property Finance
601 Union Street, Suite 2000
Seattle, WA 98101-2326

The Deed of Trust modified by this Amendment is a Security Agreement and Financing Statement under Article 9 of the Uniform Commercial Code, with Grantor/Trustor as Debtor and Grantee/Beneficiary as Secured Party. Grantor/Trustor is also referred to herein as "**Borrower**" and Grantee/Beneficiary as "**Lender**".

Notice to Borrower: The Note secured by the Deed of Trust amended hereby contains provisions for a variable interest rate.

RECITALS

A. Borrower obtained a loan from Lender for the acquisition of certain real property and the construction of a retail building and two retail pads thereon (the "**Loan**") pursuant to the terms of a Construction Loan Agreement dated January 17, 2008 (the "**Loan Agreement**"). The Loan is also evidenced by a Promissory Note dated January 17, 2008, in the maximum principal amount of \$2,710,000.00 (together with any subsequent amendments thereto, the "**Note**").

B. The Note and Loan Agreement were amended effective August 1, 2009, by the First Amendment to Construction Loan (the "**First Amendment**") to, among other modifications, extend the maturity date of the Loan and reduce the maximum principal amount of the Loan to \$2,475,000.00. The Note and Loan Agreement were further amended effective August 1, 2010, by the Second Amendment to Construction Loan (the "**Second Amendment**") to, among other modifications, again extend the maturity date of the Loan, further reduce the maximum principal amount of the Loan to \$2,200,000.00, revise the interest rate applicable to the Loan, and delete the mini-perm conversion options from the Loan.

C. Borrower's obligations under the Loan Agreement and the Note are secured by a Deed of Trust recorded in the Official Records of Skagit County, Washington, under Instrument No. 200801170086 against the real property legally described therein, as amended by the First Amendment to Deed of Trust recorded with the Auditor of Skagit County on September 23, 2009, under Instrument No. 200909230063, and by the Second Amendment to Deed of Trust recorded with the Auditor of Skagit County on August 5, 2010, under Instrument No. 201008050047 (as amended, the "**Deed of Trust**"). Subsequent to the recording of the Deed of Trust, a portion of the property subject thereto may have been released from the lien of the Deed of Trust. That portion of the property described in the Deed of Trust that has not been released is referred to herein as the "**Property**".

D. The Loan Agreement, Note, First Amendment, Second Amendment, Deed of Trust, and all other documents evidencing, securing, or otherwise governing the Loan are referred to herein collectively as the "**Loan Documents**".

E. Borrower now desires to extend the Maturity Date of the Loan and otherwise modify the terms of the Loan as set forth in the Third Amendment to Construction Loan (the "**Modification Agreement**"). Borrower is entering into this Amendment pursuant to the terms of the Modification Agreement to modify the Deed of Trust to secure all of Borrower's obligations under the Loan Documents as modified contemporaneously herewith by the Modification Agreement.



201205170034
Skagit County Auditor

AGREEMENTS

In consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto hereby agree as follows:

1. **TERMINOLOGY.** All capitalized terms used herein shall have the meaning given to them in the Loan Documents, unless a different meaning is assigned herein or required from the context in which such term is used.

2. **AMENDMENT TO DEED OF TRUST.** The Deed of Trust is hereby amended and modified as follows:

2.1 The Deed of Trust shall secure, without limitation, the making of all payments and the performance of all obligations under the terms of the Loan Documents as modified and amended by the Modification Agreement, including, without limitation, (a) the reduction in the Maximum Loan Amount to ONE MILLION EIGHT HUNDRED SEVENTY-EIGHT THOUSAND AND NO/100THS DOLLARS (\$1,878,000.00); and (b) the incorporation of a right of Lender to re-appraise the Property and require the re-margining of the Loan; and

2.2 The Deed of Trust shall secure such additional obligations of Borrower as are otherwise set forth herein, and the definition of the term "**Loan Documents**" as used in the Deed of Trust is hereby modified to include this Amendment and the Modification Agreement.

3. **LIEN PRIORITY.** All of the Property shall remain and continue in all respects subject to the Deed of Trust, and nothing in this Amendment, or done pursuant to this Amendment, shall affect or be construed to affect the lien of the Deed of Trust or the priority thereof as to such property. Borrower shall provide, at Borrower's sole cost and expense, such endorsements to Lender's existing title insurance coverage as Lender may request insuring the continued first-lien position of the Deed of Trust, as amended, as to all of the Property, with priority over all encumbrances not agreed to by Lender in writing. Borrower shall obtain such priority agreements, lien waivers, or other instruments from any and all parties who have performed work on or supplied materials to the Property, and shall execute such indemnity agreements, as may be required by the title company in connection with the issuance of such endorsements or policy.

4. **BINDING EFFECT.** This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns.

5. **APPLICABLE LAW.** This Amendment is to be construed in all respects and enforced according to the laws of the State of Washington, without regard to that state's choice of law rules.

6. **COUNTERPARTS.** The parties may execute this Amendment in any number of counterparts and/or duplicate originals (for recording, where necessary, in different counties), each of which shall be deemed an original instrument but all of which together shall constitute one and the same instrument.

7. **NOTICE RE ORAL AGREEMENTS.**

**ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY,
EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A
DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**

[Remainder of Page Intentionally Left Blank; Signatures Appear on Following Page.]



EXECUTED effective as of the day and year first above written.

Borrower/Grantors:

LARSON COOK ROAD LLC,
a Washington limited liability company

By: [Signature]
Name: Linden E. Larson
Title: Member

LARSON COOK ROAD LLC,
a Washington limited liability company

By: [Signature]
Name: Diane M. Larson
Title: Member

ROETER COOK ROAD LLC,
a Washington limited liability company

By: [Signature]
Name: Michael J. Roeter
Title: Member

ROETER COOK ROAD LLC,
a Washington limited liability company

By: [Signature]
Name: Catherine O. Roeter
Title: Member

BISSELL REAL ESTATE HOLDINGS, LLC,
a Washington limited liability company

By: _____
Name: Eric Bissell
Title: Sole Member

Lender/Beneficiary:

HOMESTREET BANK,
a Washington state chartered savings bank

By: [Signature]
Name: Patricia A. Beach
Title: Executive Vice President



EXECUTED effective as of the day and year first above written.

Borrower/Grantors:

LARSON COOK ROAD LLC,
a Washington limited liability company

By: _____
Name: Linden E. Larsen
Title: Member

LARSON COOK ROAD LLC,
a Washington limited liability company

By: _____
Name: Diane M. Larsen
Title: Member

ROETER COOK ROAD LLC,
a Washington limited liability company

By: _____
Name: Michael J. Roeter
Title: Member

ROETER COOK ROAD LLC,
a Washington limited liability company

By: _____
Name: Catherine O. Roeter
Title: Member

BISSELL REAL ESTATE HOLDINGS, LLC,
a Washington limited liability company

By: Eric Bissell
Name: Eric Bissell
Title: Sole Member

Lender/Beneficiary:

HOMESTREET BANK,
a Washington state chartered savings bank

By: _____
Name: _____
Title: _____



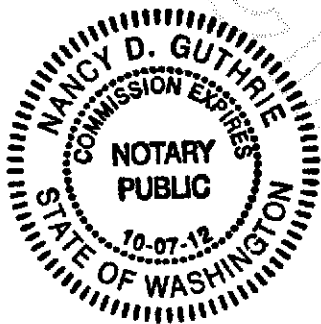
STATE OF WASHINGTON

COUNTY OF KING

} ss.

On this day personally appeared before me Linden E. Larson, to me known to be a member of LARSON COOK ROAD LLC, the Washington limited liability company that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 7th day of May, 2012.



Nancy Guthrie
Printed Name Nancy Guthrie
NOTARY PUBLIC in and for the State of Washington,
residing at Seattle
My Commission Expires 10/7/12

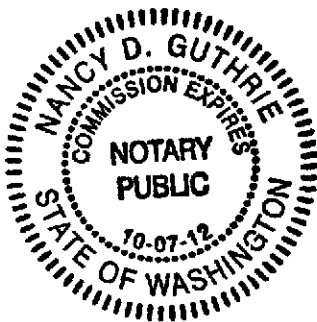
STATE OF WASHINGTON

COUNTY OF KING

} ss.

On this day personally appeared before me Diane M. Larson, to me known to be a member of LARSON COOK ROAD LLC, the Washington limited liability company that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that she was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 7th day of May, 2012.



Nancy Guthrie
Printed Name Nancy Guthrie
NOTARY PUBLIC in and for the State of Washington,
residing at Seattle
My Commission Expires 10/7/12



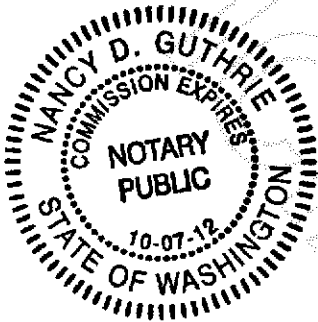
STATE OF WASHINGTON

COUNTY OF KING

ss.

On this day personally appeared before me Michael J. Roeter, to me known to be a member of ROETER COOK ROAD LLC, the Washington limited liability company that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 7th day of May, 2012.



Printed Name Nancy Guthrie
NOTARY PUBLIC in and for the State of Washington,
residing at Seattle
My Commission Expires 10/7/12

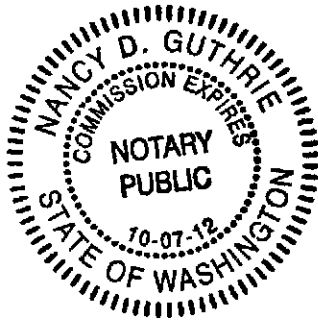
STATE OF WASHINGTON

COUNTY OF KING

ss.

On this day personally appeared before me Catherine O. Roeter, to me known to be a member of ROETER COOK ROAD LLC, the Washington limited liability company that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that she was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 7th day of May, 2012.



Printed Name Nancy Guthrie
NOTARY PUBLIC in and for the State of Washington,
residing at Seattle
My Commission Expires 10/7/12



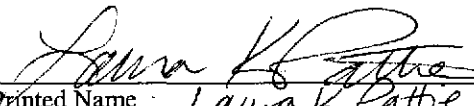
STATE OF WASHINGTON

COUNTY OF KING

SS.

On this day personally appeared before me Eric Bissell, to me known to be the sole member of BISSELL REAL ESTATE HOLDINGS, LLC, the Washington limited liability company that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 9th day of May, 2012.


Printed Name Laura K. Pattie
NOTARY PUBLIC in and for the State of Washington
residing at Seattle WA
My Commission Expires 7/9/15

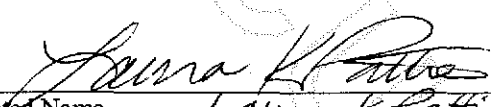


STATE OF WASHINGTON

COUNTY OF KING

On this day personally appeared before me Patricia A. Leach, to me known to be the Executive Vice President of HOMESTREET BANK, the Washington state chartered savings bank that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such bank, for the uses and purposes therein mentioned, and on oath stated that he/she was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 9th day of May, 2012.


Printed Name Laura K. Pattie
NOTARY PUBLIC in and for the State of Washington,
residing at Seattle, WA
My Commission Expires 7/9/15

