



201512220063

Skagit County Auditor \$231.00
12/22/2015 Page 1 of 13 10:17AM

AFTER RECORDING, RETURN TO:

Alee Allen
Riddell Williams P.S.
1001 Fourth Avenue, Suite 4500
Seattle, WA 98154-1065

**AMENDED AND RESTATED DEED OF TRUST, ASSIGNMENT OF RENTS AND
LEASES AND SECURITY AGREEMENT**

Reference number(s) of document(s) assigned or released (if applicable): N/A

201505060087

Grantor/Borrower(s): **CHARLES R. PATTERSON**

Grantee/Beneficiary(s): **BRIAN K. ALLEN**

Grantee/Trustee: **First American Title Insurance Company**

Legal description
(abbreviated): **NE 1/4 of the NE 1/4 of Section 18, Township 35 North, Range 4 East**

Assessor's Tax Parcel
Number(s): **350418-1-001-0002**

**AMENDED AND RESTATED
DEED OF TRUST, ASSIGNMENT OF RENTS
AND SECURITY AGREEMENT**

THIS AMENDED AND RESTATED DEED OF TRUST, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (herein "**Instrument**") is made this 11th day of December, 2015, among Grantor, CHARLES R. PATTERSON, whose address is 18912 Kelleher Road, Burlington, Washington 98233 ("**Borrower**"); FIRST AMERICAN TITLE INSURANCE COMPANY (herein "**Trustee**"); and the Beneficiary, BRIAN K. ALLEN, whose address is 6218 NE 137th Street, Kirkland, Washington 98034 ("**Lender**").

This Instrument amends and restates in its entirety that certain Deed of Trust (the "**Original Deed of Trust**") dated May 1, 2015, and recorded on May 6, 2015, under Skagit County Recorder's File No. 201505060087.

For purposes of Article 9 of the Uniform Commercial Code (RCW 62A.9A), this Instrument constitutes a Security Agreement and Financing Statement with the Borrower being the Debtor and the Lender being the Secured Party. This Instrument shall also constitute a Financing Statement filed as a fixture filing pursuant to Article 9 of the Uniform Commercial Code (RCW 62A.9A-502). Parts of the Property (defined below) are, or are to become, fixtures on the Realty (defined below) or Improvements (defined below).

In consideration of the indebtedness described below, Borrower hereby irrevocably GRANTS, TRANSFERS, CONVEYS and ASSIGNS to Trustee, IN TRUST, WITH POWER OF SALE, all of Borrower's present and future estate, right, title, claim, and interest, either in law or in equity, in and to that certain real property located in Burlington, Washington, as more particularly described on Exhibit A attached hereto and made a part hereof (the "**Real Property**").

TOGETHER WITH all of Borrower's existing and future right, title and interest in and to all property attached to, located on or about, arising out of, related to, or used or adapted for use or intended to be used in connection with the Real Property, including without limitation:

(a) All easements, access, air and development rights, minerals and oil, gas and other hydrocarbon substances, royalties, water, water rights and water stock, and all other rights, hereditaments, privileges, permits, licenses, franchises and appurtenances now or hereafter belonging or in any way appertaining to the Real Property;

(b) All buildings, structures and improvements now or hereafter located on the Real Property (the "**Improvements**");

(c) All fixtures and articles of property now or hereafter attached to, or used or adapted for use in the ownership, development, operation or maintenance of the Real Property or Improvements (whether such items are leased, owned, or subject to any title-retaining or security

instrument), including without limitation all heating, cooling, air-conditioning, ventilating, refrigerating, plumbing, generating, power, lighting, laundry, maintenance, incinerating, lifting, cleaning, fire prevention and extinguishing, security and access control, cooking, gas, electric and communication fixtures, equipment and apparatus; all engines, motors, conduits, pipes, pumps, tanks, ducts, compressors, boilers, water heaters and furnaces; all ranges, stoves, disposers, refrigerators and other appliances; all escalators and elevators, baths, sinks, cabinets, partitions, mantels, built-in mirrors, window shades, blinds, screens, awnings, storm doors, windows and sash; all carpeting, underpadding, floor covering, panelling, and draperies; all furnishings of public spaces, halls and lobbies; and all shrubbery and plants. All such items shall be deemed part of the Real Property and not severable wholly or in part without material injury to the freehold;

(d) All of the rents, revenues, issues, profits and income of the Real Property and Improvements ("**Rents**"), and all present and future leases, subleases and other agreements for the occupancy or use of all or any part of the Real Property or Improvements and all renewals, extensions and replacements thereof ("**Leases**"), including without limitation all cash or security deposits, advance rentals and deposits or payments of similar nature, and all guarantees of tenants' or occupants' performance under such leases and agreements, all subject, however, to the provisions of Section 13;

(e) All tangible personal property ("**Personal Property**") used or useful in connection with the ownership, development, operation or maintenance of the Real Property or the Improvements, including without limitation all furniture, furnishings, equipment, and supplies;

(f) All intangible personal property used in connection with or related in any way to the ownership, development, operation or maintenance of the Real Property, Improvements, or Personal Property, including without limitation, all permits, licenses and franchises, the exclusive right to use of any trade names, all contract rights (including without limitation architectural, engineering, consulting, and management contracts), all accounts, accounts receivable, escrow accounts, reserves and reserve accounts, insurance policies, deposits, instruments, chattel paper, documents of title, general intangibles, and business books and records, and all claims and causes of action related in any way to the Real Property, Improvements or Personal Property including rights and claims under any insurance policy;

(g) All materials, supplies, and other goods, wherever located, whether in the possession of Borrower, warehousemen, bailees, or any other person, purchased for use in or related in any way to any construction or remodeling or furnishing of the Improvements, together with all documents, contract rights, and general intangibles relating thereto;

(h) All site plans, plats, architectural plans, specifications, working drawings, surveys, engineering reports, test borings, market surveys, and other work products relating to the Real Property or Improvements;

(i) Any contracts for or in connection with any construction on or services to be performed in connection with the Real Property or any Improvements, together with all performance, payment, completion or other surety bonds issued in connection with or related to

such contracts, insofar as the same may be transferred by Borrower without breach of any such bond; and

(j) All additions to, replacements of, substitutions for, products of, proceeds and all proceeds of such proceeds (including but not limited to goods, accounts, general intangibles, chattel paper, documents, instruments, money and the proceeds thereof) of any of the foregoing items and all rights to encumber any of the foregoing for debt.

All of the foregoing are herein referred to as the “**Property.**”

TO SECURE TO LENDER (a) the payment of the sum of up to FOUR HUNDRED THOUSAND NO/100 DOLLARS (\$400,000.00), with interest thereon, according to the terms and provisions of an amended and restated promissory note (the “**Note**”) of even date, made by Borrower and payable to Lender, including any and all modifications, extensions, renewals and restatements and replacements thereof; (b) the payment of all other sums, with interest thereon, advanced under the terms of this Instrument or the Note, or any and all modifications, extensions, renewals, restatements, and replacements hereof or of the Note; and (c) the performance of the agreements and warranties of Borrower contained in this Instrument or incorporated herein by reference.

Borrower agrees and covenants as follows:

1. Payment of Obligations. Borrower shall promptly pay when due all sums secured by this Instrument, and shall otherwise timely perform all of its obligations under this Instrument.

2. Warranty of Title. Borrower covenants and agrees that: (i) Borrower is lawfully seized of the estate hereby conveyed and has full right and power to grant, convey and assign the Property, (ii) the Property is free from liens, encumbrances, exceptions and other charges of any kind whatsoever, except for the permitted exceptions (“**Permitted Exceptions**”) listed on Exhibit B, (iii) Borrower shall fully comply with all the terms of the Permitted Exceptions, and (iv) Borrower shall forever warrant and defend the Property unto Lender against all claims and demands of any other person whatsoever, subject only to non-delinquent taxes and assessments and the Permitted Exceptions.

3. Charges; Liens. Borrower shall make payment, when due, directly to the proper payee, of all water, sewer, and other utility charges, and all rents, taxes, assessments and premiums attributable to the Property. Borrower shall promptly discharge any lien which is not a Permitted Exception, and Borrower shall pay, when due, the claims of all persons supplying labor or materials to or in connection with the Property.

4. Insurance. Borrower shall keep all Improvements and all Personal Property insured by carriers at all times satisfactory to Lender against loss by fire and other hazards insured against under a “Special Perils” policy, rent loss, and such other hazards, casualties, liabilities and contingencies as Lender shall require, and in such amounts and for such periods as Lender shall require. All premiums on insurance policies shall be paid by making payment, when due, directly to the carrier. All insurance policies and renewals shall be in a form acceptable to Lender and shall include a standard mortgagee’s clause in favor of and in form

satisfactory to Lender. All required policies will provide for at least thirty (30) days' written notice to Lender prior to the effective date of any cancellation or material change, which includes any reduction in the scope or limits of coverage. Borrower shall furnish to Lender copies of all policies, renewal notices, and receipts for paid premiums. All such policies shall have loss payable to Lender. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as Lender shall determine. Such application by Lender shall not cause discontinuance of any proceedings to foreclose this Instrument. In the event of foreclosure, all rights of Borrower in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

5. Preservation and Maintenance of Property; Leaseholds. Borrower (i) shall comply with all laws, ordinances, regulations, and requirements of any governmental body applicable to the Property, and pay all fees in connection therewith and (ii) shall give notice in writing to Lender of and, unless otherwise directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Instrument or the rights or powers of Lender.

6. Use of Property. Borrower may use the Property for any use permitted by applicable law and Borrower shall have the right to initiate or acquiesce to any change in the zoning classification of the Real Property as Borrower may determine in its sole and absolute discretion.

7. Protection of Lender's Security. Borrower shall give notice to Lender of and shall appear in and defend any action or proceeding that may affect the Property, the interests of Lender or Trustee therein, or the rights or remedies of Lender or Trustee under the Note and this Instrument.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Real Property and other Property.

9. Books and Records. Borrower shall keep and maintain at all times at Borrower's address set forth above, or such other place as Lender may approve in writing, complete and accurate books of accounts and records adequate to reflect correctly the results of the operation of the Property and copies of all written contracts, leases and other instruments which affect the Property.

10. Condemnation. Borrower shall promptly notify Lender in writing of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof.

11. Transfers of the Property. Borrower shall not transfer all or any part of or any interest in the Property. The term "**Transfer**" as used herein means (i) any sale, assignment or any other transfer or disposition of all or any part of the Property, (ii) any agreement by Borrower to sell, or otherwise transfer or dispose of all or any part of the Property. Any such action without Lender's prior written consent shall be deemed to increase the risk of Lender, and shall constitute an Event of Default. Lender may, in its sole discretion, consent to any such action subject to such terms and conditions as Lender may require, including without limitation

payment of a fee based on the principal balance of the Note, increase in the interest rate, increase in the amount of required installments, and change in maturity date of the Note.

12. Hazardous Substances.

(a) Covenant. Borrower covenants and agrees that Hazardous Substances will not be generated, processed, stored, transported, handled or disposed of on the Property by any person or entity, except in accordance with all applicable laws.

(b) Definition. “**Hazardous Substance**” means petroleum, petroleum product, natural or synthetic gas, asbestos, urea formaldehyde, radon gas, polychlorinated biphenyls, and any substances or material which may be hazardous to the health or safety of any person, including any substance which now or hereafter becomes regulated under any federal, state or local statute, ordinance, rule, regulation or other law relating to environmental protection, contamination or cleanup.

13. Rents. As further security for the obligations described above, Borrower hereby assigns to Lender the Rents and Leases of the Property, provided that Borrower shall, prior to the occurrence of an Event of Default hereunder, have the right to collect and retain such Rents as they become due and payable. Upon the occurrence of an Event of Default, Lender, in person, by agent, or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by Lender or the receiver shall be applied first to the payment of the costs of management of the Property and collection of rents including, but not limited to, receiver’s fees, premiums on receiver’s bonds and reasonable attorney’s fees, and then to the obligations secured by this Instrument. Lender and the receiver shall be liable to account only for those rents actually received.

14. Default; Acceleration; Remedies. If Borrower (i) fails to make any payment required under the Note, this Instrument, or any related documents and instruments and any and all modifications extensions, renewals, restatements and replacements thereof within five (5) days of the date on which Lender mails or delivers written notice of the default to Borrower or (ii) fails to perform any other covenant, agreement or obligation under this Instrument or any related documents and instruments and any and all modifications extensions, renewals, restatements and replacements thereof within ten (10) days of the date on which Lender mails or delivers written notice of the default to Borrower, such failure shall constitute an “**Event of Default**” hereunder. Upon the occurrence of an Event of Default, Lender, at Lender’s option, may declare all of the sums secured by this Instrument to be immediately due and payable without further demand. After giving Borrower notice of an Event of Default in the manner prescribed by applicable law, Lender may invoke the power of sale and any other remedies permitted by applicable law or provided herein. Borrower acknowledges that the power of sale granted by this Instrument may be exercised by Lender without prior judicial hearing. Borrower has the right to bring an action to assert the nonexistence of a breach or any other defense of Borrower to acceleration and sale. Lender shall be entitled to collect all costs and expenses incurred in pursuing such remedies, including, but not limited to, attorneys’ fees and costs of documentary evidence, abstracts and title reports.

If Lender invokes the power of sale, Lender shall give written notice to Trustee of the occurrence of an Event of Default and of Lender's election to cause the Property to be sold. Trustee and Lender shall give such notices as the applicable laws may require to Borrower and to such other persons as the applicable laws prescribe, and after the lapse of such time as may be required by applicable law, Trustee shall sell the Property according to the applicable laws. Trustee may sell the Property at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property for a period or periods not exceeding the periods permitted by applicable law by taking the actions prescribed by applicable law. Lender or Lender's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser a Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all costs and expenses of the sale, including but not limited to, Trustee's and attorneys' fees and costs of title evidence; (b) to all sums secured by this Instrument in such order as Lender, in Lender's sole discretion, directs; and (c) the excess, if any, shall be distributed to the persons entitled thereto.

15. Reconveyance. Upon payment of all sums secured by this Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Instrument and all notes evidencing indebtedness secured by this Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled thereto. Such person or persons shall pay Trustee's reasonable costs incurred in so reconveying the Property.

16. Substitute Trustee. In accordance with applicable law, Lender may from time to time appoint a successor Trustee to any Trustee appointed hereunder who has ceased to act. Without conveyance of the Property, the successor Trustee shall succeed to all the titles, power and duties conferred upon the Trustee herein and by applicable law.

17. Remedies Cumulative. Each remedy provided in this Instrument is distinct and cumulative to all other rights or remedies under this Instrument or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever. The power of sale conferred by this Instrument and by the Deed of Trust Act of the State of Washington is not an exclusive remedy. Lender may cause this Instrument to be foreclosed as a mortgage.

18. Borrower and Lien Not Released. From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consent of Borrower, Borrower's successors or assigns or of any other lienholder or guarantors, without liability on Lender's part, and notwithstanding Borrower's breach of any covenant or agreement of Borrower in this Instrument, extend the time for payment of any indebtedness secured by this Instrument or any part thereof, reduce the payments thereon, release anyone liable on any of said indebtedness, modify the terms and time of payment of said indebtedness, release from the lien of this Instrument any part of the Property, take or release other or additional security, reconvey any part of the Property, consent to any map or plan of the Property, consent to the granting of any easement, join in any extension or subordination agreement, and agree in writing with Borrower

to modify the rate of interest or period of amortization. Any actions taken by Lender pursuant to the terms of this numbered paragraph shall not affect the obligation of Borrower or Borrower's successors or assigns to pay the sums secured by this Instrument and to observe the covenants of Borrower contained herein, shall not affect the guaranty of any person, corporation, partnership, or other entity for payment of the indebtedness secured hereby, and shall not affect the lien or priority of lien hereof on the Property. Borrower shall pay Lender a reasonable service charge, together with such title insurance premiums and attorneys' fees as may be incurred at Lender's option for any such action if taken at Borrower's request.

19. Forbearance by Lender Not A Waiver. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Lender of payment of any sum secured by this Instrument after the due date of such payment shall not be a waiver of Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes, rents or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Instrument, nor shall Lender's receipt of any awards, proceeds or damages as provided in this Instrument operate to cure or waive Borrower's default in payment of sums secured by this Instrument.

20. No Offset. Borrower's obligation to timely pay and perform all obligations under the Note and this Instrument shall be absolute and unconditional and shall not be affected by any event or circumstance including, without limitation, any setoff, counterclaim, abatement, suspension, recoupment, deduction, defense or any other right that Borrower or any guarantor may have or claim against Lender or any other person or entity. The foregoing shall not constitute a waiver of any claim or demand which Borrower or any guarantor may have in damages or otherwise against Lender or any other person or entity, provided that Borrower shall maintain a separate action thereon.

21. Modifications and Waivers. This Instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of any waiver, change, discharge or termination is sought.

22. Notice. Notices under this Instrument shall be in writing and shall be sent as registered or certified mail, postage prepaid, directed to such party at the address noted above, or such other address as the party may indicate by written notice to the other pursuant to this section. Such notices shall be deemed effective on the earlier of (a) the actual date of delivery of the notice to the address of the party, and not a named person, as evidenced by the certified or registered mail return receipt, or (b) the third business day after the date of mailing.

23. Uniform Commercial Code Security Agreement. This Instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above as part of the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Borrower hereby grants Lender a security interest in said items. Any reproduction of this Instrument or of any other security agreement or financing statement shall be sufficient as a financing statement. Borrower, from time to time, shall execute, acknowledge and deliver to Lender upon request, and hereby irrevocably appoints

Lender its attorney-in-fact to execute, acknowledge, deliver and if appropriate file and record, such security agreements, assignments for security purposes, assignments absolute, financing statements, affidavits, certificates and other documents, in form and substance satisfactory to Lender, as Lender may request in order to perfect, preserve, continue, extend or maintain the assignments herein contained, the lien and security interest under this Instrument, and the priority thereof. Borrower shall pay to Lender upon request therefor all costs and expenses incurred in connection with the preparation, execution, recording and filing of any such document, and such sums shall bear interest from the date of request at the Default Rate under the Note. Without the prior written consent of Lender, Borrower shall not create or suffer to be created pursuant to the Uniform Commercial Code any other security interest in said items, including replacements and additions thereto. Upon the occurrence of an Event of Default as defined above, Lender shall have the remedies of a secured party under the Uniform Commercial Code and, at Lender's option, may also invoke the other remedies provided in this Instrument or by law as to such items. In exercising any of said remedies, Lender may proceed against the items of real property and any items of personal property specified above as part of the Property separately or together and in any order whatsoever, without in any way affecting the availability of Lender's remedies under the Uniform Commercial Code or of the other remedies provided in this Instrument.

24. Waiver of Marshaling. Notwithstanding the existence of any other security interests in the Property or other property of Borrower held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Property and such other property shall be subjected to the remedies provided by this Instrument or otherwise. Lender shall have the right to determine the order in which any or all portions of the indebtedness secured by this Instrument are satisfied from the proceeds realized upon the exercise of the remedies provided in this Instrument or otherwise. Borrower, any party who consents to this Instrument, and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice of this Instrument, hereby waives any and all right to require the marshaling of assets in connection with the exercise of any of the remedies permitted by applicable law or by this Instrument.

25. Additional Documents; Power of Attorney. Borrower, from time to time, shall execute, acknowledge and deliver to Lender upon request, and hereby irrevocably appoints Lender its attorney-in-fact to execute, acknowledge, deliver and if appropriate file and record, such security agreements, assignments for security purposes, assignments absolute, financing statements, affidavits, certificates and other documents, in form and substance satisfactory to Lender, as Lender may request in order to perfect, preserve, continue, extend or maintain the assignments herein contained, the lien and security interest under this Instrument, and the priority thereof. Borrower shall pay to Lender upon request therefor all costs and expenses incurred in connection with the preparation, execution, recording and filing of any such document, and such sums shall bear interest from the date of request at the lesser of the Default Rate under the Note.

26. Use of Property. The Property is not used principally for agricultural or farming purposes.

27. Fees and Costs. Borrower shall pay Lender on demand all attorneys' fees and costs, all court costs, and all other costs and expenses reasonably incurred by Lender to collect any payment due hereunder or secured hereby, to foreclose or otherwise realize upon any of the Property, or to otherwise protect or enforce Lender's rights hereunder or under the Note, including such fees and costs incurred by Lender outside of or in connection with any state or federal insolvency or bankruptcy proceeding or any appellate court proceeding ("**Fees and Costs**"). Borrower shall pay interest on such Fees and Costs at the Default Rate under the Note from the date of demand until paid by Borrower.

28. Lender Advances. Should Borrower fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the Property Lender may pay the same, and the amount so paid, with interest at the Default Rate under the Note from the date said payment is made by Lender, shall be added to and become a part of the obligations secured by this Instrument and shall be due on demand by Lender.

29. Successors and Assigns Bound; Joint and Several Liability; Agents; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to the benefit of, the respective successors and assigns of Lender and Borrower, subject to the limitations on transfer described in this Instrument. All covenants and agreements of Borrower shall be joint and several. In exercising any rights or taking any actions provided for in this Instrument, Lender may act through its employees, agents or independent contractors. The captions and headings of the paragraphs of this Instrument are for convenience in locating provisions only and are not to be used to interpret or define the provisions.

30. Governing Law; Severability. This Instrument shall be governed by the laws of the State of Washington. In the event that any provision of this Instrument conflicts with applicable law, such conflict shall not affect other provisions of this Instrument which can be given effect without the conflicting provisions, and to this end the provisions of this Instrument are declared to be severable.

31. Time. Time is of the essence in connection with all obligations of Borrower herein.

[Signature on Following Page]

IN WITNESS OF THIS INSTRUMENT, Borrower has executed this Instrument on the day and year first above written.

"Borrower"

CHARLES R. PATTERSON



By: Charles R. Patterson

STATE OF WASHINGTON)
)
COUNTY OF Whatcom) ss.

I certify that I know or have satisfactory evidence that CHARLES R. PATTERSON 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 to be free and voluntary act of such party for the uses and purposes mentioned in the instrument.

GIVEN under my hand and official seal this 11th day of December, 2015.



Notary Signature

Mark Lackey

Print/Type Name

Notary Public in and for the State of Washington,
residing at Bellingham WA

My commission expires 10/16/2018

EXHIBIT A

PROPERTY DESCRIPTION

That portion of the Northeast Quarter of the Northeast Quarter of Section 18, Township 35 North, Range 4 East of the Willamette Meridian, lying Westerly of the Westerly line of the Kelleher Road (also referred to as the New G.W. Greene Road);

EXCEPT that portion thereof lying within the boundaries of State Highway No. 1 (now known as the Burlington-Alger Road) as conveyed to the State of Washington by deed recorded July 14, 1932, and October 7, 1975, under Auditor's File Nos. 251669 and 824491, records of Skagit County, Washington and as condemned in Skagit County Superior Court Cause Nos. 14548 and 14930, records of Skagit County, Washington;

AND EXCEPT the right-of-way of Drainage District No. 14 as condemned in Skagit County Superior Court Cause No. 36094, records of Skagit County, Washington.

Situated in Skagit County, Washington

Tax Parcel Number: 350418-1-001-0002 P36849

EXHIBIT B

PERMITTED EXCEPTIONS

None

UNOFFICIAL DOCUMENT