

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT FILER (optional) Land Title & Escrow 204497-LT (360)707-2312
B. E-MAIL CONTACT AT FILER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address) <div style="border: 1px solid black; padding: 5px;"> PEOPLES BANK Loan Services Department PO Box 233 LYNDEN, WA 98264 </div>

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME SKAGIT AGGREGATES, LLC				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
PO BOX 398	CLEARLAKE	WA	98235	USA

2. DEBTOR'S NAME Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
				USA

3. SECURED PARTY'S NAME (or NAME OF ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME PEOPLES BANK				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
822 S. Burlington Blvd	Burlington	WA	98233	USA

4. COLLATERAL: This financing statement covers the following collateral:

All Minerals; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing. See Exhibit A

Abbreviated legal: Ptn W 1/2, Ptn NE 1/4, Ptn SE 1/4 all in S30-T35N-R6E WM

Tax Parcels: 350630-1-003-0002/P42075, 350630-1-004-0001/42076, 350630-1-004-0100/P42077

350630-1-005-0000/P42079, 350630-1-005-0109/P42078, 350630-4-002-0007/P42104

350630-4-003-0006/P42105

700 ETH

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box:
 Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility

6b. Check only if applicable and check only one box:
 Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensee

8. OPTIONAL FILER REFERENCE DATA:
5053132-202

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

9a. ORGANIZATION'S NAME SKAGIT AGGREGATES, LLC	
OR	
9b. INDIVIDUAL'S SURNAME	
FIRST PERSONAL NAME	
ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

10a. ORGANIZATION'S NAME				
OR				
10b. INDIVIDUAL'S SURNAME				
INDIVIDUAL'S FIRST PERSONAL NAME				
INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S)				
SUFFIX				
10c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME					
OR					
11b. INDIVIDUAL'S SURNAME		FIRST PERSONAL NAME		ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
11c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY	

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

13. This FINANCING STATEMENT is to be filed [for record] [or recorded] in the REAL ESTATE RECORDS (if applicable)

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):
**SKAGIT AGGREGATES, LLC
14107 STATE ROUTE 9
MOUNT VERNON, WA 98273**

14. This FINANCING STATEMENT:
 covers timber to be cut covers as-extracted collateral is filed as a fixture filing

16. Description of real estate:
ADDRESS: NHN South Skagit Highway, Sedro-Woolley, WA 98284
ASSESSORS TAX PARCEL: 350630-1-003-0002/P42075 &
350630-1-004-0001/P42076 & 350630-1-004-0100/P42077 &
350630-1-005-0000/P42079 & 350630-1-005-0109/P42078 &
350630-4-002-0007/P42104 & 350630-4-003-0006/P42105
ABBREVIATED LEGAL: Ptn W 1/2, Ptn NE, Ptn SE all in 30-35-6
FULL LEGAL: See attached EXHIBIT A on pages 3, 4 and 5.

17. MISCELLANEOUS:

EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL "B":

The West ½ of the Northeast ¼ of Section 30, Township 35 North, Range 6 East, W.M.

Situate in the County of Skagit, State of Washington.

PARCEL "B-1":

A non-exclusive right and easement for ingress and egress and utilities over and across a strip of land 20 feet in width and located upon that abandoned railroad grade as the same now exists upon the following described property:

The East ½ of the Northwest ¼ of the Southeast ¼ of Section 30, Township 35 North, Range 6 East, W.M., lying North of the South Skagit Highway, EXCEPT the East 305 feet thereof.

Situate in the County of Skagit, State of Washington.

PARCEL "C":

The West ½ of the West ½ of the Southeast ¼ of the Northeast ¼ of Section 30, Township 35 North, Range 6 East, W.M..

EXCEPT that portion, if any, which lies South of the old fence line as described in Judgment entered January 30, 1989, in Skagit County Superior Court Cause No. 88-2-00612-4.

Situate in the County of Skagit, State of Washington.

Parcel "C-1"

A non-exclusive easement for ingress, egress and utilities over, under and across that certain private road 60 feet in width, as established by instrument recorded September 21, 1972, under Auditor's File No. 774326.

Situate in the County of Skagit, State of Washington.

PARCEL "D":

The East ½ of the West ½ of the Southeast ¼ of the Northeast ¼ of Section 30, Township 35 North, Range 6 East, W.M. EXCEPT that portion, if any, which lies South of the old fence line as described in Judgment entered January 30, 1989, in Skagit County Superior Court Cause No. 88-2-00612-4,

EXCEPT that portion, if any, which lies South of the old fence line as described in Judgment entered January 30, 1989, in Skagit County Superior Court Cause No. 88-2-00612-4.

Situate in the County of Skagit, State of Washington.

Parcel "D-1":

A non-exclusive easement for ingress, egress and utilities over, under and across that certain private road 60 feet in width, as established by instrument recorded September 21, 1972, under Auditor's File No. 774326,

EXCEPT that portion, if any, which lies South of the old fence line as described in Judgment entered January 30, 1989, in Skagit County Superior Court Cause No. 88-2-00612-4.

PARCEL "E":

The Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 30, Township 35 North, Range 6 East, W.M., less road and less portion lying South of Day Creek Road and

TOGETHER WITH the East 305 feet of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of said Section, Township and Range, less road and less that portion lying South of Day Creek Road.

TOGETHER WITH that portion of the Northeast $\frac{1}{4}$ of Section 30, Township 35 North, Range 6 East, W.M., lying South of the old fence line as described in Judgments entered October 7, 1985 and January 30, 1989, in Skagit County Superior Court Cause No. 85-2-00463-1 and 88-2-00612-4, respectively,

AND EXCEPT a tract of land in the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 30, Township 35 North, Range 6 East, W.M., described as follows:

Beginning at a point on the North line of the Day Creek Road, which is 305 feet West of the West line of the Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 30, Township 35 North, Range 6 East, W.M.;

thence in an Easterly direction along the North line of the said Day Creek Road, a distance of 151 feet;

thence North a distance of 115 feet;

thence West 55 feet;

thence North 25 feet;

thence East 55 feet;

thence North 160 feet;

thence West 151 feet to a point which is 305 feet West of the West line of the said Northeast $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 30, Township 35 North, Range 6 East, W.M.;

thence South to the point of beginning.

Situate in the County of Skagit, State of Washington.