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David C. Kelly
Williams, Kastner & Gibbs
P.O. Box 21926
Seattle, WA 98111-3926

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RECORDED
INDEXED

FIRST AMERICAN TITLE CO.
57266-1

ADDENDUM TO DEED OF TRUST

Reference number of related documents: 9503140086

Grantors:

- 1. Jerry L. Smith and Molly A. Smith
- 2. Charles E. Olson and Margaret Olson

Grantee:

- 1. General Motors Acceptance Corporation

Legal Description:

- 1. Section 3, Township 34, Range 2; Ptn. NW 1/4 and SW 1/4 a/k/a Lots 1 and 4, Short Plat #95-020
- 2. Additional legal description is on Exhibit A of the document

Assessor's Property Tax Parcel Account Numbers:

340203-2-001-0000
340203-3-007-0400
340203-3-009-0000

9812030121

S2-609130.1

ADDENDUM TO DEED OF TRUST

(Original Deed of Trust Recorded under
Skagit County Recording No. 9503140086)

THIS ADDENDUM is made this 9th day of Dec, 1998 by **JERRY L. SMITH and MOLLY A. SMITH**, husband and wife (individually and collectively, "Borrower"), and **CHARLES E. OLSON and MARGARET OLSON**, husband and wife, ("Guarantor") (hereinafter Borrower and Guarantor shall be individually and collectively referred to as "Grantors" unless otherwise specifically referenced herein) with respect to that certain Deed of Trust, Security Agreement and Assignment of Leases and Rents ("Deed of Trust") dated March 4, 1998 and recorded with the Skagit County Auditor under Recording Number 9503140086 with respect to the real property described on the attached Exhibit A (the "Property").

A. RECITALS

1. Grantors previously executed the Deed of Trust in favor of General Motors Acceptance Corporation ("GMAC") to secure all direct, indirect, or contingent obligations of Borrower and each of them, to GMAC, whether theretofore or thereafter incurred, including, without limitation, all amounts due and payable by Borrower under a Promissory Note dated November 2, 1995 which was executed by Borrower in favor of GMAC in the principal amount of ONE MILLION SIX HUNDRED THOUSAND AND NO/100 DOLLARS (\$1,600,000.00) (the "Note").

2. Borrower has requested GMAC to renew and extend all remaining obligations under the Note and to extend additional credit, with all such indebtedness to be evidenced by a single promissory note. GMAC has agreed to the request, subject to certain terms and conditions, and a new promissory note of even date herewith shall be executed by Borrower in the amount of TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00) representing (a) all obligations remaining under the Note and (b) the additional credit being extended (hereinafter the \$2,000,000.00 note of even date herewith shall be referred to as the "Renewal Note").

3. It is the intent of Grantors and GMAC that the Deed of Trust shall secure the Renewal Note, and shall continue to secure (a) all other obligations of Borrower to GMAC, whether heretofore or hereafter incurred, including, without limitation, real estate loans, working capital loans, and guaranty obligations, whether now existing or hereafter incurred; and (b) all obligations of Guarantor to GMAC arising under or in connection with that certain Limited Recourse Guaranty Agreement dated March 2, 1995 which was executed by Guarantor in favor of GMAC ("Limited Recourse Guaranty Agreement").

NOW, THEREFORE, for good and valuable consideration, and as an inducement to GMAC to enter into the Renewal Note and extend additional credit to Borrower, Grantors hereby agree as follows:

B. AGREEMENT

1. Grantors hereby reaffirm the validity of the Deed of Trust, agree and state that all of Grantors' obligations under the Deed of Trust are valid and enforceable, and further agree and state that the Deed of Trust is a valid and enforceable lien against the Property.

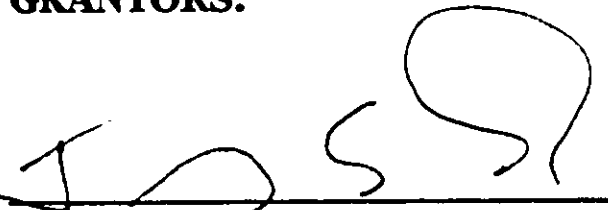
2. Grantors further acknowledge, agree and hereby restate that the Deed of Trust secures all direct, indirect or contingent obligations of Borrower, and each of them, to GMAC, whether heretofore or hereafter incurred, including, without limitation, the Renewal Note, real estate loans, working capital loans, and guaranty obligations. The failure of Grantors to specifically reference herein a presently existing obligation of Borrower, or either one of them, to GMAC shall not be construed to mean that such obligation is not subject to the terms of the Deed of Trust.

3. Grantors further acknowledge, agree and hereby restate that the Deed of Trust secures all obligations of Guarantor arising under or in connection with the Limited Recourse Guaranty Agreement.

4. **GRANTORS ACKNOWLEDGE AND AGREE THAT ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.**

IN WITNESS WHEREOF, Grantors has caused this instrument to be executed the day and year first above written.

GRANTORS:



Jerry L. Smith



Molly A. Smith

Charles E. Olson
Charles E. Olson

Margaret E. Olson
Margaret Olson

STATE OF WASHINGTON)
COUNTY OF Skagit) ss.

On this day personally appeared before me Jerry L. Smith, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 9 day of Dec, 1998.

P. Shaw
P. Shaw
(print notary's name)

Notary Public in and for the State of
Washington, residing at Skagit
My commission expires: 10-99



STATE OF WASHINGTON)
COUNTY OF Spokane) SS.

On this day personally appeared before me Molly A. Smith, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 9 day of Dec, 1998.

P. Shaw
P. SHAW

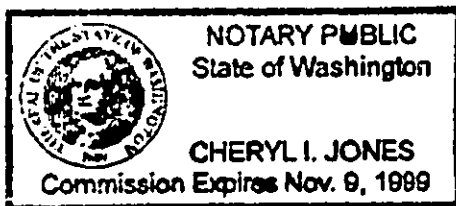
(print notary's name)

Notary Public in and for the State of
Washington, residing at Spokane
My commission expires: 10-99

STATE OF WASHINGTON)
COUNTY OF KING) SS.

On this day personally appeared before me Charles E. Olson, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 9th day of December, 1998.



Cheryl I Jones
CHERYL I JONES

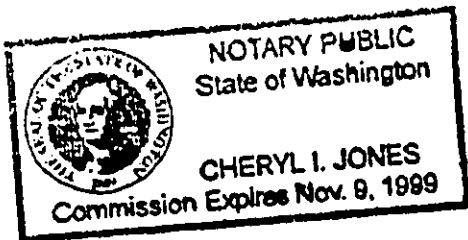
(print notary's name)

Notary Public in and for the State of
Washington, residing at King County
My commission expires: 11-9-99

STATE OF WASHINGTON)
)
COUNTY OF KING) SS.

On this day personally appeared before me Margaret Olson, to me known to be the individual described in and who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 9th day of December, 1998.



Cheryl I Jones
CHERYL I JONES

(print notary's name)

Notary Public in and for the State of
Washington, residing at King County.
My commission expires: 11-9-99.

EXHIBIT A

Lots 1 and 4 of Short Plat No. 95-020, as approved May 6, 1996 and recorded May 13, 1996 in Volume 12 of Short Plats, pages 96 and 97, under Auditor's File No. 9605130078, records of Skagit County, Washington.

S2-610417.1

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