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 Skagit County Auditor

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Short Cressman & Burgess PLLC
 Attn: Kerry S. Bucklin
 3000 First Interstate Center
 999 Third Avenue
 Seattle, WA 98104-4008

LAND TITLE OF SKAGIT COUNTY
 S-102421-E

Document Title	Confirmation of Security
Reference Number(s) of Related Documents	200209170101
Grantor	Sea-Van Investments Associates, a Washington general partnership
Grantee	Chinatrust Bank (U.S.A.)
Legal Description	Ptn, Lot 68, "EAGLEMONT PHASE 1A"
Additional Legal Description is on	Exhibit A
Assessor's Property Tax Parcel Account Number(s)	4621-000-068-0007

CONFIRMATION OF SECURITY

This Confirmation of Security is dated December 5, 2003, and relates to that certain Deed of Trust dated September 16, 2002, between Sea-Van Investments Associates, a Washington general partnership, as Grantor, Stewart Title Guaranty Company as Trustee, and Chinatrust Bank (U.S.A.) as Beneficiary, recorded in Skagit County under Recording No. 200209170101, and the prior Confirmation of Security dated September 15, 2003, recorded in Skagit County under Recording No. 200309230146 (collectively, the "Deed of Trust").

The Deed of Trust to secures the obligations of Grantor under that Certain Amended and Restated Construction Loan Agreement dated September 15, 2003 (the "Loan Agreement"), and the other Loan Documents referenced therein, including, but not limited to, the Amended and Restated Promissory Note dated September 15, 2003, in the original principal amount of Nine Hundred Thirty Thousand and No/100 Dollars (\$930,000) (the "Note"). Grantor has requested that Beneficiary extend the maturity date

of the Note. Beneficiary is willing to extend the maturity date upon receiving certain confirmations from Grantor as provided below.


NOW, THEREFORE, in consideration of the above recitals which are incorporated by this reference, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Continued Security. Grantor hereby confirms for the reliance of Beneficiary that the Deed of Trust shall continue to secure the Note without a loss of priority.

2. No Defenses, Claims or Setoffs. Grantor represents and warrants to Beneficiary that as of the date this Confirmation is signed and as of the date it is recorded it has and shall not have any defenses, claims, or rights of setoff with regard to its obligation under the Loan Documents including but not limited to its obligation to repay the Note.

3. Representations and Warranties. As a material inducement to Beneficiary extending the maturity date of the loan, Grantor represents and warrants to Beneficiary that each of those representations and warranties stated in the Loan Documents including but not limited to the Deed of Trust, and Amended and Restated Environmental Indemnity Agreement dated September 15, 2003, and Section 3 of the Loan Agreement, are true as of the date of this Confirmation, and that no default or event which would constitute a default but for the passage of time or the giving of notice or both has occurred under any of the Loan Documents prior to the date of this Confirmation.

4. Release of Beneficiary. Grantor hereby releases, acquits, and forever discharges Beneficiary, its affiliates, employees, successors, agents, assigns, representatives, attorneys, officers and directors, and each of them (collectively, "Beneficiary's Agents"), of and from any and all liability, claims, demands, damages, causes of action, defenses, counterclaims, setoffs or claims for recoupment of any nature, whether known or unknown, whether based upon contract, tort, statute or regulation, arising directly or indirectly from, or in any way related to the loan transaction memorialized in the Loan Documents.

5. Integration; Modification. This Confirmation and the documents referenced herein constitute the entire agreement between the parties with respect to the extension of the maturity date of the Loan, and shall not be amended, modified or terminated except by a writing signed by the party to be charged therewith. 



6. Attorneys' Fees. In any action to interpret or enforce any provision of this Confirmation, the prevailing party shall be entitled to recover from the other party its reasonable attorneys' fees, including such fees in any appellate proceeding, proceeding under the bankruptcy code or receivership, in addition to all other sums provided by law.

GRANTOR ACKNOWLEDGES THAT 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.

IN WITNESS WHEREOF, Grantor has executed this Confirmation as of the date stated herein.

GRANTOR:

SEA-VAN INVESTMENT ASSOCIATES, a
Washington general partnership

By: Unison Development Company, a Washington
corporation, its managing general partner

By: *James S.C. Hung*
James S.C. Hung, President



STATE OF WASHINGTON)
) ss:
COUNTY OF Skagit)

I certify that I know or have satisfactory evidence that James S.C. Hung 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 this instrument and acknowledged it as the President of Unison Development Company, a Washington corporation, the Managing General Partner of SEA-VAN INVESTMENT ASSOCIATES, a Washington general partnership, to be the free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: 12-5-, 2003.



Terry L. White
Print Name: Terry L. White
NOTARY PUBLIC in and for the State of
Washington, residing at Mount Vernon
My Appointment expires: 12-7-2004

