



200704110110

Skagit County Auditor

4/11/2007 Page 1 of 4 3:35PM

RETURN ADDRESS:

Horizon Bank
CML % Nancy Shipman
2211 Rimland Dr, Suite 230
Bellingham, WA 98226

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200607250134

Additional on page ____

Grantor(s):

- 1. Landmark Building and Development, Inc.

FIRST AMERICAN TITLE CO.

B80152

Grantee(s)

- 1. Horizon Bank

Legal Description: Section 29, Township 35, Range 4; SE SE

ACCOMMODATION RECORDING ONLY

Additional on page 4

Assessor's Tax Parcel ID#: 350429-4-001-0001 (P38034)

THIS MODIFICATION OF DEED OF TRUST dated April 4, 2007, is made and executed between between Landmark Building and Development, Inc.; a Washington Corporation ("Grantor") and Horizon Bank, whose address is Skagit Commercial Center, 2211 Rimland Drive, Suite 230, Bellingham, WA 98226 ("Lender").

DOCUMENT

**MODIFICATION OF DEED OF TRUST
(Continued)**

Loan No: 6000003089

Page 2

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated July 24, 2006 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded July 25, 2006 in Skagit County, Washington under Auditor's File No. 200607250134.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Skagit County, State of Washington:

See EXHIBIT "A", which is attached to this Modification and made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as 10772 Peacock Lane, Burlington, WA 98233. The Real Property tax identification number is 350429-4-001-0001 (P38034).

MODIFICATION. Lender and Grantor hereby modify the Deed of Trust as follows:

Definition of Note is hereby modified to be a Promissory Note dated April 4, 2007 in the original amount of \$360,000.00, together with all renewals of, extensions of, modifications of consolidations of and substitutions for the promissory note or agreement

This note is a renewal and replacement of Promissory Note for a Collateral Pool from Borrower to Lender dated May 26, 2005 in the original amount of \$2,500,000.00. All references in the loan documents to the old Note shall be deemed to be a reference to the new Note.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Deed of Trust (the "Note"). It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers and endorsers to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED APRIL 4, 2007.

GRANTOR:

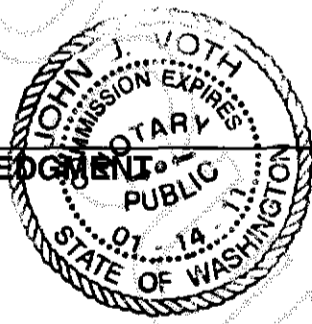
LANDMARK BUILDING AND DEVELOPMENT, INC.

By: [Signature]
John W. Ellis, President of Landmark Building and Development, Inc.

LENDER:

HORIZON BANK

[Signature]
Authorized Officer



CORPORATE ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this 04th day of April, 2007, before me, the undersigned Notary Public, personally appeared **John W. Ellis, President of Landmark Building and Development, Inc.**, and personally known to me or proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By [Signature]
Notary Public in and for the State of WA

Residing at Burlington, WA
My commission expires 1-14-2011



MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 6000003089

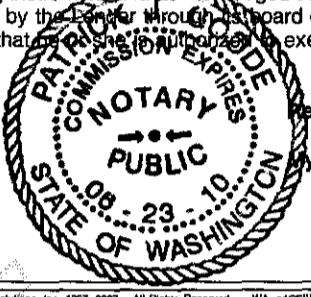
Page 3

LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this 09th day of APRIL, 20 07, before me, the undersigned Notary Public, personally appeared Tosha Phillips and personally known to me or proved to me on the basis of satisfactory evidence to be the Commercial Officer, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Patricia C... Residing at Bellingham
Notary Public In and for the State of WA My commission expires 06/23/2010



LASER PRO Lending, Ver. 5.33.00.004, Copr. Harland Financial Solutions, Inc. 1997, 2007. All Rights Reserved. WA c:\CFIWIN\CFI\PLIG2002.FC TR-9728



200704110110
Skagit County Auditor

EXHIBIT A

PARCEL "A":

That portion of the Northeast 1/4 of the Southeast 1/4 of the Southeast 1/4 of Section 29, Township 35 North, Range 4 East, W.M., described as follows:

Beginning at the Northeast corner of said subdivision; thence South 89 degrees 15' 30" West along the North line of said subdivision, a distance of 391 feet; thence South 4 degrees 53' 30" West, a distance of 130.31 feet; thence North 89 degrees 15' 30" East, a distance of 391 feet to the East line of said Section 29; thence North 4 degrees 53' 30" East along the East line of said Section 29, a distance of 130.31 feet to the point of beginning.

EXCEPT the East 20 feet thereof conveyed to Skagit County for Peacock Lane Road No. 407, by Deed recorded March 27, 1957, under Auditor's File No. 549141.

PARCEL "B":

The North 245 feet of the Northeast 1/4 of the Southeast 1/4 of the Southeast 1/4 of Section 29, Township 35 North, Range 4 East, W.M.

EXCEPT the East 20 feet thereof conveyed to Skagit County for road, by Deed recorded March 27, 1957, under Auditor's File No. 549141.

AND EXCEPT the following described tract:

Beginning at the Northeast corner of the Southeast 1/4 of the Southeast 1/4; thence South 89°15' 30" West along the North line of said subdivision, 391 feet; thence South 4°53' 30" West, a distance of 130.11 feet; thence North 89°15' 30" East, 391 feet to the East line of said Section 29; thence North 4°53' 30" East along the East line of said Section, a distance of 130.31 feet to the point of beginning.

PARCEL "C":

The North 245.00 feet of Lot 2 of that certain Short Plat No. 10-86, approved on April 10, 1986, and recorded in Volume 7 of Short Plats, Page 81, records of Skagit County, Washington, being a portion of the Southeast 1/4 of the Southeast 1/4 of Section 29, Township 35 North, Range 4 East, W.M.,

EXCEPT that portion known as Tract 2B as shown on that certain Survey recorded in Volume 10 of Surveys, Page 150, under Auditor's File No. 9011150002, records of Skagit County, Washington.



200704110110
Skagit County Auditor

4/11/2007 Page

4 of

4 3:35PM