

RETURN ADDRESS:

Horizon Bank
Doc Ctr % Melissa Gaines
2211 Rimland Drive Suite
230
Bellingham, WA 98226



200712270142
Skagit County Auditor

12/27/2007 Page 1 of 4 3:32PM

LAND TITLE OF SKAGIT COUNTY

122941-SAC

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): MLF1574 200610060146

Additional on page ____

Grantor(s):

1. King Squared LLC
2. Paul, Eric M.

Grantee(s)

1. Horizon Bank

Legal Description: ptns. Lots 1-3, Blk. 2, Seattle Syndicate's first add. to the City of Ana., Wash

Additional on page 2

Assessor's Tax Parcel ID#: 3813-002-003-0004 (P58768)

THIS MODIFICATION OF DEED OF TRUST dated December 20, 2007, is made and executed between King Squared LLC, a Washington limited liability company, and Eric M. Paul, a married man, as his separate property, in indeterminate undivided interests ("Grantor") and Horizon Bank, whose address is Cornwall Office, 1500 Cornwall/PO Box 580, Bellingham, WA 98227-0580 ("Lender").

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

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated October 4, 2006 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Skagit County Recording Number 200610060146 Dated October 6, 2006.

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

The West 45 feet of Lots 1 and 2, and the West 50 feet of Lot 3, Block 2, "SEATTLE SYNDICATE'S FIRST ADDITION TO THE CITY OF ANACORTES, WASH.," as per plat recorded in Volume 1 of Plats, page 25, records of Skagit County, Washington.

Situate in the City of Anacortes, County of Skagit, State of Washington.

The Real Property or its address is commonly known as 1019 Longview Avenue, Anacortes, WA 98221. The Real Property tax identification number is 3813-002-003-0004 (P58768).

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

The maturity date of October 1, 2007 referenced in above described Deed of Trust is hereby deleted in its entirety without substitution. The period of this Deed of Trust shall continue uninterrupted until re-conveyed by Lender to Grantor.

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 DECEMBER 20, 2007.

GRANTOR:

KING SQUARED, LLC

By: Jeldon Dale King II
Jeldon Dale King II

By: Ashley Diane King
Ashley Diane King

X Eric M. Paul
Eric M. Paul, Individually



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MODIFICATION OF DEED OF TRUST
(Continued)

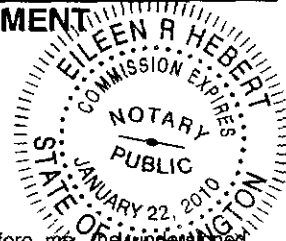
LENDER:

HORIZON BANK

x Cand W. Van F
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

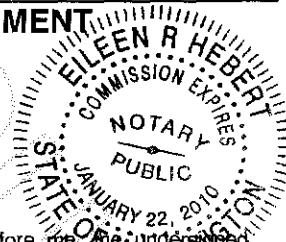


On this 23rd day of December, 20 07, before me, the undersigned Notary Public, personally appeared Leldon Dale King II, of King Squared LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be a member or designated agent of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, 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 limited liability company.

By Eileen R. Hebert Residing at Anacortes
Notary Public in and for the State of WA My commission expires Jan 22, 2010

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)



On this 23rd day of December, 20 07, before me, the undersigned Notary Public, personally appeared Ashley Diane King, of King Squared LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be a member or designated agent of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, 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 limited liability company.

By Eileen R. Hebert Residing at Anacortes
Notary Public in and for the State of WA My commission expires Jan 22, 2010

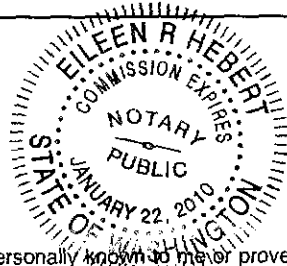


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MODIFICATION OF DEED OF TRUST
(Continued)

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
)
COUNTY OF Skagit) SS
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On this day before me, the undersigned Notary Public, personally appeared Eric M. Paul, personally known to me or proved to me on the basis of satisfactory evidence to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 23rd day of December, 20 07

By Eileen R Hebert
Notary Public in and for the State of WA

Residing at Anacortes
My commission expires Jan 22, 2010

LENDER ACKNOWLEDGMENT

STATE OF Washington)
)
COUNTY OF Skagit) SS
)

On this 23rd day of December, 20 07, before me, the undersigned Notary Public, personally appeared _____ and personally known to me or proved to me on the basis of satisfactory evidence to be the _____, 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 he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Eileen Hebert
Notary Public in and for the State of WA

Residing at Anacortes
My commission expires Jan 22, 2010



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