Skagit County Auditor

AFTER RECORDING MAIL TO:

Tecnal Corporation, a Washington Corp 24 Cathedral Place Ste 409 St Augustine, FL 32084

3/19/2008 Page

5 2:09PM

GUARDIAN NORTHWEST TITLE CO.

93409-2

Filed for Record at Request of: First American Title Insurance Company Space above this line for Recorders use only

Short Form DEED OF TRUST

File No: 4223-1178148 (TC)

Date: March 03, 2008

Grantor(s): Four-H Machine LLC, a Washington limited liability company

Grantee(s): Tecnal Corporation, a Washington Corp

Trustee: First American Title Insurance Company, a Corporation

Abbreviated Legal: Section 34, Township 35, Range 2; PTN. Gov. Lot 3 Skagit County

Additional Legal on page: 1

Assessor's tax parcel/Account Nos: P33500

THIS DEED OF TRUST, made this Third day of March, 2008, between Four-H Machine LLC, a Washington limited liability company, as GRANTOR(S), whose address is 9056 North Texas, Anacortes, WA 98221, and First American Title Insurance Company, a Corporation , as TRUSTEE, whose address is 601 State Ave, Marysville, WA 98270, and Tecnal Corporation , a Washington Corp, as BENEFICIARY, whose address is 24 Cathedral Place Ste 409, St Augustine, FL 32084.

Grantor(s) hereby irrevocably grants, bargains, sells and conveys to Trustee in trust, with power of sale, the following described property in **Skagit** County, **Washington:**

See Attached Exhibit "A"

TOGETHER WITH all the tenements, hereditaments and appurtenances, now or hereafter thereunto belonging or in anywise appertaining, and the rents, issues, and profits thereof and all other property or rights of any kind or nature whatsoever further set forth in the Master Form Deed of Trust hereinafter referred to, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

File No.: 4223-1178148 (TC)

THIS DEED IS FOR THE PURPOSE OF SECURING PERFORMANCE of each agreement of Grantor(s), incorporated by reference or contained herein and payment of the sum of **seven hundred fifty thousand dollars (\$750,000.00)** with interest thereon according to the terms of the promissory note of even date herewith , payable to Beneficiary or order and made by Grantor(s); all renewals, modifications or extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of his/her/their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

By executing and delivering this Deed of Trust and the Note secured hereby, the parties agree that all provisions of Paragraphs 1 through 35 inclusive of the Master Form Deed of Trust hereinafter referred to, except such paragraphs as are specifically excluded or modified herein, are hereby incorporated herein by reference and made an integral part hereof for all purposes the same as if set forth herein at length, and the Grantor(s) hereby makes said covenants and agrees to fully perform all of said provisions. The Master Form Deed of Trust above referred to was recorded on the twenty-fifth (25th) day of July, 1968, in the Official Records of the offices of the County Auditors of the following counties in Washington in the book, and at the page designated after the name of each county, to-wit:

COUNTY	BOOK OR VOL.	PAGE NO.	AUDITOR' S	COUNTY	BOOK OR VOL.	PAGE NO.	AUDITOR' S
Adams	2 of Record Instr.	513-16	122987	Lewis	7 of Offcl Rec.	839-842	725562
Asotin	Aud. Microfilm No.		101896	Lincoln	107 of Mtgs	776-779	316596
Benton	241 of Offcl Rec.	695A-C	592931	Mason	Reel 48 Frame	835-838	236038
Chelan	688 of Offcl Rec.	1682-1685	681844	Okanogan	121 of Mtgs	517-519A	560658
Clallam	315 of Offcl Rec.	195-198	383176	Pacific	213 of Offcl Rec.	649-652	55707
Clark	Aud. Microfilm No.	702859-62	G-519253	Pend Oreille	27 of Mtgs.	8-11	126854
Columbia	49 of Deeds	198-201	F3115	Pierce	1254 of Mtgs.	707-710	2250799
Cowlitz	747 of Offcl Rec.	234-237	675475	San Juan	28 of Mtgs.	459-462	69282
Douglas	125 of Mtgs	120-123	151893	Skagit	19 of Offcl Rec.	80-83	716277
Ferry	28 of Deeds	413-416	153150	Skamania	47 of Mtgs.	41-44	70197
Franklin	11 of Offcl Rec.	138-141	309636	Snohomish	233 of Offcl Rec.	540-543	2043549
Garfield	Aud. Microfilm No.		13044	Spokane	14 of Offcl Rec.	1048-1051	376267C
Grant	44 of Rec. doc.	373-376	538241	Stevens	109 of Mtgs.	394-397	390635
Grays Harbor	21 of General	31-34	207544	Thurston	454 of Offici Rec.	731-734	785350
Island	181 of Offcl Rec.	710-713	211628	Waukiakum	17 of Mtgs	89-92	24732
Jefferson	4 of Official Rec.	316-319	196853	Walla Walla	308 of Mtgs.	711-714	495721
King	5690 of Mtgs.	436-439	6382309	Whatcom	82 of Offcl Rec.	855-858	1047522
Kitsap	929 of Offci Rec.	480-483	934770	Whitman	1 of Misc.	291-294	382282
Kittitas	111 of Mtgs	361-364	348693	Yakima	712 of Offcl Rec.	147-150	2170555
Klickitat	101 of Mtgs	107-110	131095	1			

A copy of such Master Form Deed of Trust is hereby furnished to the person executing this Deed of Trust and by executing this Deed of Trust the Grantor(s) acknowledges receipt of such Master Form Deed of Trust.

The property which is the subject of this Deed of Trust is not used principally or primarily for agriculture or farming purposes.

Page 2 of 4

200803190079 Skagit County Auditor

3/19/2008 Page

2 of

5 2:09PM

File No.: 4223-1178148 (TC)

The undersigned Grantor(s) requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to him at the address hereinbefore set forth.

WITNESS the hand(s) and seal(s) of the Grantor(s) on the day and year first above written.

By: Chris	Hatch, Member	aton limited	AND ARE	OSPITA ROVED
By: Bob	Luct Ha Hatch, Member	tol		
STATE OF	Washington))-ss		
COUNTY OF	skagit Such.)		

I certify that I know or have satisfactory evidence that **Chris Hatch**, **Jim Hatch**, **Bob Hatch**, is/are the person(s) who appeared before me, and said person(s) acknowledged that he/she/they signed this instrument, on oath stated that he/she/they is/are authorized to execute the instrument and aknowledged it as the **Members** of **Four-H Machine LLC** to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this instrument.

Dated: 1

CANON CONTROL OF THE PROPERTY OF THE PROPERTY

Notary Public in and for the State of Washington Residing at:

My appointment expires: 2-19-2011

Page 3 of 4

2 0 0 8 0 3 1 9 0 0 7 9 Skagit County Auditor

3/19/2008 Page

3 of

5 2:09PM

A.P.N.: **P33500** Deed of Trust - continued File No.: **4223-1178148 (TC)**

(Do Not Record) REQUEST FOR FULL RECONVEYANCE

To be used only when all obligations have been paid under the Note and this Deed of Trust.

To: TRUSTEE

The undersigned is the legal owner and holder of the note and all indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Mail Reconveyance to:	Dated:
	Ву
	Ву
	Ву
	Ву

Do not lose or destroy this Deed of Trust OR THE NOTE which it secures. Both must be delivered to the Trustee before cancellation will be made.

Page 4 of 4

200803190079 Skagit County Auditor

3/19/2008 Page

4 of

5 2:09PM

Schedule "C" Legal description

EXHIBIT "A"

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Parcel "A":

A portion of Government Lot 3, Section 34, Township 35 North, Range 2 East, W.M., lying South of a 40 foot County Road and West of a 30 foot County Road (W. V. Wells Road), particularly described as follows:

Beginning at the Northwest corner of said Lot 3; thence South 1°40' West along the West line of said Lot 3, 40.01 feet to the South line of a 40 foot County Road, said point being the true point of beginning for this description; thence South 87°01'30" East along said road 966.58 feet to the West line of the W.V. Wells Road; thence South 39°18'45" East along said road, 287.72 feet; thence South 18°04'30" East along said road, 217.44 feet; thence North 87°01'30" West, 1228.77 feet to the West line of Government Lot 3; thence North 1°40' East along the West line of said Lot 3, 415.90 feet to the true point of beginning.

Parcel "B":

A portion of Government Lot 3, Section 34, Township 35 North, Range 2 East, W.M., lying East of a 30 foot County Road (W.V. Wells Road), particularly described as follows:

Beginning at a point of intersection of the North line of said Government Lot 3, with the East line of the W.V. Wells Road, said point being South 89°15'30" East, 939.14 feet from the Northwest corner of said Lot 3; thence South 89°15'30" East, 101.40 feet to the meander line of Padilla Bay; thence South 36°34' East along said meander line, 333.85 feet; thence South 15°22' East along said meander line, 251.67 feet; thence North 87°01'30" West, 60.10 feet to the East line of the W.V. Wells Road; thence North 18°04'30" West along said road, 234.62 feet; thence North 39°18'45" West along said road, 369.61 feet to the point of beginning.

2 0 0 8 0 3 1 9 0 0 7 9 Skagit County Auditor

3/19/2008 Page

5 of

2:09PM