200803250053 Skagit County Auditor

3/25/2008 Page

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RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

WASHINGTON MUTUAL BANK Attention: CML Closing P.O. Box 9011 Coppell, TX 75019-9011

CHICAGO TITLE CO. 1044625

THIS SPACE FOR RECORDER'S USE ONLY

ABBREVIATED LEGAL: PTN SW SE 20-34-4 (SEE EXHIBIT "A" and "B")
CROSS-COLLATERALIZATION AGREEMENT

P26778 (SEE EXHIBIT "C")

[Loan Nos. 625989054 and 793918418]

(i) THIS CROSS-COLLATERALIZATION AGREEMENT (this "Agreement") is made as of March ___, 2008 by WASHINGTON MUTUAL BANK, a federal association, having an address at P.O. Box 9178, Coppell, TX 75019-9178, Attention: Portfolio Administration ("Lender"), and SKAGIT VALLEY REAL ESTATE PARTNERSHIP, LLP, a Washington limited liability partnership, having an address at 1400 Kincaid St., Mount Vernon, WA 98274 ("Borrower").

RECITALS

- A. Lender has made the following loans (the "Loans") to Borrower:
- 1. A loan in the principal amount of \$7,400,000.00 evidenced by a promissory note in that amount dated April 24, 2007 executed by Borrower as maker in favor of Lender as payee and secured by a deed of trust, mortgage or similar security instrument (as applicable, "Security Instrument 1") on the real property described in Exhibit A attached to this Agreement, which is dated as of April 24, 2007 and was recorded in the records of the Auditor's Office, Skagit County, Washington on May 7, 2007 under recording no. 200705070132; and
- 2. A loan in the principal amount of \$6,200,000.00 evidenced by a promissory note in that amount dated March 10, 2008 executed by Borrower as maker in favor of Lender as payee and secured by a deed of trust, mortgage or similar security instrument (as applicable, "Security Instrument 2" and, collectively with Security Instrument 1, the "Security Instruments") on the real property described in Exhibit B attached to this Agreement, which is dated as of March 10, 2008 and was recorded in the records of Auditor's Office, Skagit County, Washington on March 25, 2008 under recording no.

172386

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The real property described in <u>Exhibit A</u> and <u>Exhibit B</u>, together with all other real and personal property now or hereafter securing any Loan, is referred to, collectively, as the "<u>Collateral</u>."

B. One or more of the Loans described above will be closed and funded contemporaneously with the recording of this Agreement. Borrower acknowledges and agrees that a condition of Lender making such Loan or Loans is that all of the Collateral serve as collateral for each of the Loans. Borrower is executing this Agreement to satisfy such condition.

The parties to this Agreement agree:

AGREEMENT

1. <u>Certain Definitions</u>. For purposes of this Agreement, the following terms have the meanings set forth below:

"Event of Default" has the meaning set forth in Section 4 of this Agreement.

"Foreclosure" means a judicial or non-judicial foreclosure of or trustee's sale under any Security Instrument, a deed in lieu of such foreclosure or sale, a sale of any of the Collateral pursuant to lawful order of a court of competent jurisdiction in a bankruptcy case filed under Title 11 of the United States Code, or any other similar disposition of any of the Collateral.

"Indemnity Agreement" means any unsecured certificate and indemnity agreement regarding hazardous substances (or similar unsecured environmental indemnity agreement) executed in connection with any Loan.

"Loan Documents" means all documents, instruments and agreements evidencing, securing or otherwise governing the terms of any Loan, including this Agreement, but specifically excluding any Indemnity Agreement and specifically excluding any guaranty of any Loan.

"Total Indebtedness" means any and all of the indebtedness and other obligations secured by any one or more of the Security Instruments pursuant to the terms thereof.

2. <u>Amendment of Security Instruments to Grant Additional Security</u>. Each Security Instrument is hereby amended to provide that such Security Instrument secures all of the Total Indebtedness. Borrower hereby irrevocably mortgages, grants, conveys and assigns to Lender all of its right, title and interest in and to all of the Collateral to secure to Lender

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payment of the Total Indebtedness and performance of the covenants and agreements contained in all of the Loan Documents. Each Security Instrument will remain in a first-priority lien position on all of the Collateral it encumbers as to the entire Total Indebtedness secured thereby. Nothing in this Agreement is intended to impair the priority of any Security Instrument as a first lien securing the entire Total Indebtedness.

- and without qualification represents and warrants to Lender that no deed of trust, mortgage, lien, lien right (whether arising by commencement of work, delivery of materials or otherwise and whether choate or inchoate), easement or encumbrance, claim or interest in or to any of the property described in Exhibit A or in Exhibit B has arisen or been recorded since the recording of Lender's applicable Security Instrument thereon. Borrower shall have full recourse liability to Lender for any inaccuracy in the foregoing representation and warranty notwithstanding any nonrecourse or limitation of liability provision, if any, contained in any of the Loan Documents.
- 4. Events of Default. Any one or more of the following events will constitute an "Event of Default" under this Agreement:
- (a) the existence of any default or breach by any Borrower of any provision of this Agreement that continues beyond any applicable grace or cure period; and
- (b) any event or condition constituting an "Event of Default" under any of the Loan Documents or any other default or breach under any of the Loan Documents that would permit Lender to foreclose the related Security Instrument.

5. Remedies.

- (a) After the occurrence and during the continuance of an Event of Default, Lender, in its sole discretion, may exercise any or all of the remedies available under the Loan Documents and applicable law.
- (b) Lender may exercise such remedies in one or more proceedings, whether contemporaneous or consecutive or a combination of both, to be determined by Lender in Lender's sole discretion. Lender may enforce its rights against the Collateral, or any portions of Collateral, in such order and manner as Lender may elect in Lender's sole discretion. The enforcement of any such remedies will not constitute an election of remedies, and will not limit or preclude the enforcement of any other such remedies, through one or more additional proceedings. Lender may bring any action or proceeding, including but not limited to foreclosure proceedings, without regard to the fact that one or more other proceedings may have been commenced elsewhere with respect to other of the Collateral or any portion thereof. Borrower, for itself and for any and all persons or entities now or in the

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future holding or claiming any lien on, security interest in, or other interest or right of any nature in or to any of the Collateral, hereby unconditionally and irrevocably waives any rights it may have, now or in the future, whether at law or in equity, to require Lender to enforce or exercise any of Lender's rights or remedies under this Agreement, under the Security Instruments or under any other of the Loan Documents in any particular manner or order or in any particular jurisdiction or venue, or to apply the proceeds of any foreclosure in any particular manner or order.

- (c) No judgment obtained by Lender in any proceeding enforcing any of the Loan Documents will merge any of the Total Indebtedness into that judgment, and all Total Indebtedness that remains unpaid will remain a continuing obligation of Borrower. Notwithstanding any foreclosure of any Security Instrument, Borrower will remain bound under this Agreement.
- (d) Proceeds of the enforcement or foreclosure of the Security Instruments will be applied to the payment of the Total Indebtedness (including prepayment premiums) in such order as Lender may determine in Lender's sole discretion.
- 6. Waivers of Marshalling, Etc. Lender will have the right to determine in Lender's sole discretion whether and the order in which any or all of the Collateral or portions thereof will be subjected to the remedies provided in the Loan Documents or applicable law. Lender will have the right to determine in Lender's discretion the order in which any or all portions of the Total Indebtedness are satisfied from the proceeds realized upon the exercise of such remedies. Borrower and each party that now or in the future acquires a lien on or security interest or other interest in any of the Collateral hereby unconditionally and irrevocably waives any and all right to require the marshalling of any Collateral or to require that any of the Collateral or portions thereof be sold in any particular order in connection with the exercise of any such remedies.
- 7. Costs and Expenses. Within ten days after written demand by Lender (or if required by Lender, prior to the recording of this Agreement), Borrower will pay all costs and expenses incurred by Lender in connection with this Agreement including but not limited to attorneys' fees, recording fees and premiums for such endorsements to Lender's title insurance policies on the Security Instruments as Lender may require (including but not limited to modification endorsements, tie-in or aggregation endorsements, first loss endorsements and last dollar endorsements).
- 8. <u>Effectiveness</u>. This Agreement will not become effective unless and until it is recorded by or at the direction of Lender in the appropriate real property records. Lender will have no obligation to record this Agreement and does not intend to record it unless it can establish to its satisfaction that this Agreement will not result in any adverse effect on the priority of any Security Instrument as a lien on any Collateral.

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- 9. Notices. All notices to the parties under this Agreement will be in writing and will be given in the manner provided in the Security Instruments for notices to the applicable party.
- 10. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of Washington.
- Captions, Cross References, Exhibits and Recitals. The captions assigned to provisions of this Agreement are for convenience only and will be disregarded in construing this Agreement. Any reference in this Agreement to a "Section", a "Subsection" or an "Exhibit" will, unless otherwise explicitly provided, be construed as referring to a section of this Agreement, to a subsection of the section of this Agreement in which the reference appears or to an Exhibit attached to this Agreement. All Exhibits referred to in this Agreement, and all recitals to this Agreement, are hereby incorporated by reference and form an integral part of this Agreement.
- 12. <u>Number and Gender</u>. Use of the singular in this Agreement includes the plural, use of the plural includes the singular, and use of one gender includes all other genders, as the context may require.
- Agreement to a statute or regulation will include all amendments to and successors to such statute or regulation, whether adopted before or after the date of this Agreement. Any reference in this Agreement to a Security Instrument or other Loan Document will include all amendments, modifications, restatements, extensions and replacements thereof.
- 14. <u>Successors and Assigns</u>. This Agreement will be binding upon and will inure to the benefit of the parties and their respective heirs, successors and assigns.
- 15. <u>Severability</u>. The invalidity or unenforceability of any provision of this Agreement will not affect the validity of any other provision, and all other provisions will remain in full force and effect.
- Agreement in exercising any right or remedy will not constitute a waiver of or preclude the exercise of that or any other right or remedy. Unless otherwise explicitly provided, no remedy under this Agreement is intended to be exclusive of any other available remedy, but each remedy will be cumulative and will be in addition to other remedies given under this Agreement or applicable law.

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- 17. Third Party Beneficiaries. Neither any creditor of any party to this Agreement, nor any other person or entity, is intended to be a third party beneficiary of this Agreement.
- 18. Course of Dealing. No course of dealing among the parties to this Agreement will operate as a waiver of any rights of any party under this Agreement.
- 19. Further Assurances and Corrective Instruments. Promptly after written request by Lender, Borrower will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements to this Agreement and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement.

[Remainder of page intentionally left blank]

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DATED as of the date first set forth above.

LENDER:

WASHINGTON MUTUAL BANK, A Federal Association

By

Name: Paul V. McCarthy

Title: First Vice President & Senior Counsel

BORROWER:

SKAGIT VALLEY REAL ESTATE PARTNERSHIP, LLP,

A Washington Limited Liability Partnership

By:

John S. Halsey, M.D., Manager

By:

Mark L. Johnson, M.D., Manager

STATE OF WASHINGTON

SS.

COUNTY OF KING

I certify that I know or have satisfactory evidence that Paul V. McCarthy is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the F.V.P. and Senior Counsel of Washington Mutual Bank, a federal association, to be the free and voluntary act of such association for the uses and purposes mentioned in the instrument.

day of March, 2008.

Notary Public

Skagit County Auditor

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I certify that I know or have satisfactory evidence that John S. Halsey, M.D. is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Manager of Skagit Valley Real Estate Partnership, LLP, a limited liability partnership, to be the free and voluntary act of such limited liability partnership for the uses and purposes mentioned in the instrument.

Dated this 2 of WARCH STATE OF WASHING SS.

MAROPEREPAREDCK

COUNTY OF SKAGIT

I certify that I know or have satisfactory evidence that Mark L. Johnson, M.D. is the person who appeared before me, and said person acknowledged that said person signed this instrument, on oath stated that said person was authorized to execute the instrument and acknowledged it as the Manager of Skagit Valley Real Estate Partnership, LLP, a limited liability partnership to be the free and voluntary act of such limited liability partnership for the uses and purposes mentioned in the instrument.

2008 Dated this 26 day of

STATE OF

MARCIE K. PALECK

Skagit County Auditor

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IC41680

EXHIBIT "A"

PARCEL A:

That portion of the Southwest quarter of the Southeast quarter of Section 20, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point 30.83 feet South of the Northwest corner of said Southwest quarter of the

Southeast quarter;

Thence North 89°48'35" East, parallel to the North line of said Southwest quarter of the Southeast quarter 203.81 feet, more or less, to the Northerly extension of the East line (East face of building) of the existing medical building as the same exists on January 1, 2007; Thence South 0°22'16" East, along the line of the East face of the existing building and the same projected a distance of 134.45 feet, more or less, to the Southeast corner of said

Thence South 89°37'44" West, along the Southerly face of the existing building, a distance of

Thence South 0°13'17" East 125.39 feet more or less, to the Northerly margin of Broadway 22.83 feet:

Street; Thence South 89°46'43" West, along said margin, 177.30 feet to the West line of said Southwest quarter of the Southeast quarter of Section 20;

Thence North 1°06'35" West along said line, 260.05 feet to the point of beginning;

The basis of bearing for the above legal description is North 1°06'35" West between the found South quarter corner and the found and accepted 1/16th corner of Kincaid Street;

(ALSO KNOWN AS Parcel A of Boundary Line Adjustment recorded February 13, 2007 under Auditor's File No. 200702130060, records of Skagit County, Washington).

Situated in Skagit County, Washington

continued.....

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EXHIBIT 'A' continued:

PARCEL B:

That portion of Lot 1, Block 1, BROADWAY ADDITION TO MOUNT VERNON, according to the Plat thereof recorded in Volume 6 of Plats, Page 7, records of Skagit County, Washington and of the Southwest quarter of the Southeast quarter of Section 20, Township 34 North, Range 4 East, W.M., described as follows:

Commencing at a point 30.83 feet South of the Northwest corner of said Southwest quarter of

the Southeast quarter,

Thence North 89°48'35" East, parallel to the North line of said Southwest quarter of the Southeast quarter 203.81 feet, more or less, to the Northerly extension of the East line (East face of building) of the existing medical building as the same exists on January 1, 2007 and the true point of beginning;

Thence South 0°22'16" East, along the line of the East face of the existing building and the

same projected a distance of 73.95 feet;

Thence North 89°47'39" East 99.89 feet to the West margin of South 15th street; Thence North 1°09'02" West, along said line, 73.94 feet to a point which lies North 89°48'35" East from the true point of beginning;

Thence South 89°48'35" West 98.89 feet to the true point of beginning;

The basis of bearing for the above legal description is North 1°06'35" West between the found South quarter corner and the found and accepted 1/16th corner on Kincaid Street;

(ALSO KNOWN AS Parcel B of Boundary Line Adjustment Recorded February 13, 2007 under Auditor's File No. 200702130060, records of Skagit County, Washington).

Situated in Skagit County, Washington

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EXHIBIT 'A' continued:

PARCEL D-2:

That portion of Block 1, BROADWAY ADDITION TO MOUNT VERNON, according to the Plat thereof recorded in Volume 6 of Plats, Page 7, records of Skagit County, Washington and of the Southwest quarter of the Southeast quarter of Section 20, Township 34 North, Range 4 East, W.M., described as follows:

Commencing at a point 30.83 feet South of the Northwest corner of said Southwest quarter of

the Southeast quarter.

Thence North 89°48'35" East, parallel to the North line of said Southwest quarter of the Southeast quarter 203.81 feet, more or less, to the Northerly extension of the East line (East face of building) of the existing medical building as the same exists on January 1, 2007; Thence South 0°22'16" East, along the line of the East face of the existing building and the same projected a distance of 73.95 feet to the true point of beginning;

Thence continue South 0°22'16" East 40.89 feet;

Thence North 89°47'39" East 100.45 feet to the West margin of South 15th Street; Thence North 1°09'02" West, along said line, 40.89 feet to a point which lies North 89°48'35" East from the true point of beginning;

Thence South 89°48'35" West 99.89 feet to the true point of beginning;

The basis of bearing for the above legal description is North 1°06'35" West between the found South quarter corner and the found and accepted 1/16th corner on Kincaid Street;

(ALSO KNOWN AS Parcel D of Boundary Line Adjustment Recorded February 13, 2007 under Auditor's File No. 200702130060, records of Skagit County, Washington).

Situated in Skagit County, Washington

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EXHIBIT 'A' continued:

PARCEL D:

Lots 10, 11 and 12, Block 8, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the Plat thereof recorded in Volume 2 of Plats, Page 63, records of Skagit County, Washington.

Situated in Skagit County, Washington

PARCEL E:

That portion of the Southwest Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 360 feet South and 75 feet East of the Northwest corner; Thence East a distance of 75 feet; Thence South a distance of 135 feet; Thence West a distance of 75 feet; Thence North a distance of 135 feet to the point of beginning.

Situated in Skagit County, Washington

PARCEL F:

That portion of the Southwest Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 360 feet South of the Northwest corner of said Southwest Quarter of the Southeast Quarter;

Thence East a distance of 75 feet; Thence South a distance of 135 feet;

Thence West a distance of 75 feet;

Thence North a distance of 135 feet to the point of beginning.

Situated in Skagit County, Washington

PARCEL G:

INTENTIONALLY DELETED

continued.....

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EXHIBIT 'A' continued:

PARCEL E:

That portion of the Southwest Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 360 feet South and 75 feet East of the Northwest corner; Thence East a distance of 75 feet; Thence South a distance of 135 feet; Thence West a distance of 75 feet; Thence North a distance of 135 feet to the point of beginning.

Situated in Skagit County, Washington

PARCEL F:

That portion of the Southwest Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 360 feet South of the Northwest corner of said Southwest Quarter of the Southeast Quarter, Thence East a distance of 75 feet; Thence South a distance of 135 feet;

Thence West a distance of 75 feet;

Thence North a distance of 135 feet to the point of beginning.

Situated in Skagit County, Washington

PARCEL G:

INTENTIONALLY DELETED

PARCEL H:

Lots 7 and 8, Block 7, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the plat thereof recorded in Volume 2 of Plats, page 63, records of Skagit County, Washington.

Situated in Skagit County, Washington

PARCEL I:

continued.....

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EXHIBIT 'A' continued:

INTENTIONALLY DELETED

PARCEL J:

INTENTIONALLY DELETED

PARCEL K:

INTENTIONALLY DELETED

PARCEL L:

INTENTIONALLY DELETED

PARCEL M:

INTENTIONALLY DELETED

PARCEL N:

INTENTIONALLY DELETED

PARCEL O:

INTENTIONALLY DELETED

PARCEL R:

That portion of the Southwest quarter of the Southeast quarter of Section 20, Township 34 North, Range 4 East, W.M., described as follows:

Beginning at a point 360 feet South and 150 feet East of the Northwest corner of said Southwest quarter of the Southeast quarter;

Thence East 75 feet;

Thence South 135 feet;

Thence West 75 feet;

Thence North 135 feet to the point of beginning.

Situated in Skagit County, Washington

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Real Estate Tax Parcel Numbers

IMV2348 IC41680

340420-0-086-0009 P26778

3709-001-002-0004 P52385

3741-008-012-0007 P53563

340420-0-088-0015 P26782

340420-0-087-0016 P26780

3741-007-008-0005 P53557

3709-001-001-0005 P52384

340420-0-089-0006 26783



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Order No.: IC44625

EXHIBIT "B"

PARCEL 1:

That portion of the Southwest Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Commencing at a point 30.83 feet South of the Northwest corner of said Southwest Quarter of the Southeast Quarter;

Thence North 89°48'35" East, parallel to the North line of said Southwest Quarter of the Southeast Quarter 203.81 feet, more or less, to the northerly extension of the East line (East face of building) of the existing medical building as the same exists on January 1, 2007; Thence South 0°22'16" East, along the line of the East face of the existing building and the same projected a distance of 114.84 feet to the true point of beginning;

Thence continue South 0°22'16" East 19.61 feet, more or less, to the Southeast corner of said building;

Thence South 89°37'44" West, along the Southerly face of the existing building, a distance of 22.83 feet;

Thence South 0°13'17" East 125.39 feet, more or less, to the Northerly margin of Broadway Street;

Thence North 89°46'43" East, along said margin, 125.58 feet to the West margin of South 15th Street;

Thence North 1°09'02" West, along said line, 145.05 feet to a point which lies North 89°47'39" East from the true point of beginning:

Thence South 89°47'39" West 100.45 feet to the true point of beginning.

The basis of bearing for the above legal description is North 1°06'35" West between the found South Quarter corner and the found accepted 1/16th corner on Kincaid Street.

(Also known as Parcel C of Boundary Line Adjustment recorded February 13, 2007, under Auditor's File No. 200702130060, records of Skagit County, Washington)

Situated in Skagit County, Washington

PARCEL 2:

Lots 11 and 12, Block 6, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the plat thereof recorded in Volume 2 of Plats, page 63, records of Skagit County, Washington.

(ALSO KNOWN AS a portion of Parcel J of a Survey by Leonard Bouidinot and Skodje, Inc., under Job No. 01014)

Situated in Skagit County, Washington

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EXHIBIT 'B' continued:

PARCEL 3:

Lots 1 and 2, Block 8, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the plat thereof recorded in Volume 2 of Plats, page 63, records of Skagit County, Washington.

(ALSO KNOWN AS Parcel G of a Survey by Leonard Bouidinot and Skodje, Inc., under Job No. 01014)

Situated in Skagit County, Washington

PARCEL 4:

Lot 3, Block 7, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the plat thereof recorded in Volume 2 of Plats, page 63, records of Skagit County, Washington.

(ALSO KNOWN AS Parcel I of a Survey by Leonard Bouidinot and Skodje, Inc., under Job No. 01014)

Situated in Skagit County, Washington

PARCEL 5:

Lot 4, Block 7, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the plat thereof recorded in Volume 2 of Plats, page 63, records of Skagit County, Washington.

(ALSO KNOWN AS Parcel K of a Survey by Leonard Bouldinot and Skodje, Inc., under Job No. 01014)

Situated in Skagit County, Washington

PARCEL 6:

Lots 9 through 12, Block 7, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the plat thereof recorded in Volume 2 of Plats, page 63, records of Skagit County, Washington.

(ALSO KNOWN AS Parcel L of a Survey by Leonard Bouidinot and Skodje, Inc., under Job No. 01014)

Situated in Skagit County, Washington

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EXHIBIT 'B continued:

PARCEL E:

That portion of the Southwest Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 360 feet South and 75 feet East of the Northwest corner;

Thence East a distance of 75 feet;

Thence South a distance of 135 feet;

Thence West a distance of 75 feet;

Thence North a distance of 135 feet to the point of beginning.

Situated in Skagit County, Washington

PARCEL F:

That portion of the Southwest Quarter of the Southeast Quarter of Section 20, Township 34 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point 360 feet South of the Northwest corner of said Southwest Quarter of the Southeast Quarter:

Thence East a distance of 75 feet,"

Thence South a distance of 135 feet,

Thence West a distance of 75 feet;

Thence North a distance of 135 feet to the point of beginning.

Situated in Skagit County, Washington

PARCEL H:

Lots 7 and 8, Block 7, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the plat thereof recorded in Volume 2 of Plats, page 63, records of Skagit County, Washington.

Situated in Skagit County, Washington

PARCEL M:

Lots 10, 11 and 12, Block 8, MAP OF MILLETT'S ADDITION TO MT. VERNON, according to the Plat thereof recorded in Volume 2 of Plats, Page 63, records of Skagit County, Washington.

Situated in Skagit County, Washington

- END OF EXHIBIT 3



EXHIBIT "C"

Tax Parcel Numbers

IMV2937 IC44625

2007 Deed of Trust

340420-0-086-0009 P26778

3709-001-002-0004 P52385

3741-008-012-0007 P53563

340420-0-088-0015 P26782

340420-0-087-0016 P26780

3741-007-008-0005 P53557

3709-001-001-0005 P52384

340420-0-089-0006 P26783

2008 Deed of Trust

3709-001-002-0100 P125894

3741-006-012-0001 P53551

3741-008-002-0009 P53559

3741-007-003-0000 P53553

3741-007-004-0009 P53554

3741-007-012-0009 P53558



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