UCC FINANCING STATEMENT FOLLOW INSTRUCTIONS (front and back) CAREFULLY Skagit County Auditor A. NAME & PHONE OF CONTACT AT FILER [optional] 3 12:04PM CSC Diligenz, Inc. 1-800-858-5294 9/29/2008 Page B. SEND ACKNOWLEDGMENT TO: (Name and Address) 37335018 CSC Diligenz, Inc. 6500 Harbour Heights Pkwy, Suite 400 Mukilteo, WA 98275 Filed In: Washington Skagit THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY 1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names 1a. ORGANIZATION'S NAME C & R CONSTRUCTION AND DEVELOPMENT INC 15. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX 1c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY 18407 MAJESTIC RIDGE LN MOUNT VERNON WA 98274 USA 1d. SEE INSTRUCTIONS ADD'L INFO RE | 1e, TYPE OF ORGANIZATION 11. JURISDICTION OF ORGANIZATION 1g. ORGANIZATIONAL ID #, if any ORGANIZATION Corp. WA DESTOR 2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names 2a ORGANIZATION'S NAME 26. INDIVIDUAL'S LAST NAME MIDDLE NAME FIRST NAME SUFFIX 2c. MAILING ADDRESS CITY POSTAL CODE STATE COUNTRY 2d. SEEINSTRUCTIONS ADD'L INFO RE | 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID#. if any ORGANIZATION NONE DEBTOR 3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a of 3b) 3a. ORGANIZATION'S NAME Summit Bank OR 3b. INDIVIDUAL'S LAST NAME FIRSTNAME MIDDLE NAME SUFFIX 3c. MAILING ADDRESS STATE POSTAL CODE COUNTRY 2120 Freeway Drive Mount Vernon WA 98273 USA 4. This FINANCING STATEMENT covers the following collateral: ALL TIMBER GOV.LOT 2, SEC.6 T33N, R5EWM PARCELS P17924; P74581; P74581; P74582; P74584; P74585; P74599; P74600; PP74601; P74603; P074605; P74606; P74586; P74595 **FULL LEGAL TO FOLLOW**

CONSIGNÉE/CONSIGNOR

BAILEE/BAILOR

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s)
[ADDITIONAL FEE] [optional]

SELLER/BUYER

AG LIEN

NON-UCCFILING

37335018

5. ALTERNATIVE DESIGNATION [if applicable]: LESSEE/LESSOR

8. OPTIONAL FILER REFERENCE DATA

6. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum

EXHIBIT "A"

PARCEL A:

Government Lot 2 in Section 6, Township 33 North, Range 5 East of the Willamette Meridian;

EXCEPT any portion lying within public roads.

Situated in Skagit County, Washington.

PARCEL B:

All of Block 6; Lot 1, except the Westerly 40 feet thereof, and all of Lots 15 and 16, Block 7; Lots 1, 2, 17 and 18, Block 15; Lots 1 through 14, inclusive, Block 16; Lots 1 through 18, inclusive, Block 18; Lots 1 and 2, and the Northeasterly 60 feet of lots 3 through 5, inclusive; South half of the Northeasterly 60 feet of Lot 6, and all of Lots 17 and 18, Block 19; Plat of the Town of Montborne, Skagit County, Washington according to the Plat thereof recorded in Volume 2 of Plats, page 20, records of Skagit County, Washington. Also Government Lot 2, in Section 6, Township 33 North, Range 5 East, W.M.

EXCEPT ROAD.

Situated in Skagit County, Washington.

PARCEL C.

All of Block 5; Westerly 40 feet of Lot 1, and all of Lots 2 through 7, inclusive, and Lots 13 and 14, Block 7; Lots 3 and 4 and Lots 12 through 16, inclusive, Block 15; Lots 3 through 5, inclusive;

EXCEPT the Northeasterly 60 feet thereof, Lot 6;

EXCEPT the South half of the Northeasterly 60 feet thereof, and all of Lots 7 through 9, inclusive, Lot 14;

EXCEPT the Northwesterly 20 feet thereof, and all of Lots 15 and 16, Block 19; Plat of the Town of Montborne, Skagit County, Washington, according to the Plat thereof recorded in Volume 2 of Plats, Page 80, records of Skagit County, Washington.

Situated in Skagit County, Washington.

PARCEL D:

A non-exclusive easement for ingress and egress over and across that certain 12 foot wide road as the same existed on May 24, 1972. Running over and across Lots 5, 6, 7, 8 and 10 in Block 15 of said Plat of Plat of the Town of Montborne , Skagit County, Washington, as reserved by document recorded June 5, 1972, under Auditor's File No. 769166, records of Skagit County, Washington.

Situated in Skagit County, Washington.

Continued

Skagit County Auditor

3 12:04PM

9/29/2008 Page

EXHIBIT "A Page 2

PARCEL E:

Block 8, PLAT OF THE TOWN OF MONTBORNE, according to the plat thereof, recorded in Volume 2 of Plats, page 80, records of Skagit County, Washington.

Situated in Skagit County, Washington.

PARCEL F:

All of that portion of Block 14, PLAT OF MONTBORNE, according to the plat thereof recorded in Volume 2 of Plats, Page 80, records of Skagit County, lying South and East of the following line:

BEGINNING at a point on the Southwesterly line of Lot 1, Block 20, said PLAT OF THE TOWN OF MONTBORNE, said point being 339.80 feet Southeast from the Westerly corner of Lot 9, said Block 20; Thence along a line curing to the left intersecting the Northeasterly line of said Block 20, 316.8 feet Southeasterly from the Northerly corner of Lot 9, said Block 20 and intersecting the Southwesterly line of Block 14, 283 feet Southeasterly from the Westerly corner of Lot 10 of Block 14 and intersecting the Southwesterly line of Lot 6 of Block 14, 152.3 feet Southeasterly from the Westerly corner of Lot 9 of Block 14; Thence Northerly along a straight line to a point on the Northwesterly line of Block 14, 93 feet Northeasterly from the Westerly corner of Lot 9 of Block 14.

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



9/29/2008 Page

3 of

3 12:04PM