



200909010006

Skagit County Auditor

9/1/2009 Page 1 of 4 9:31AM

RETURN ADDRESS:

Horizon Bank
CML % Documentation
Dept - KZ
2211 Rimland Dr, Ste 230
Bellingham, WA 98226

GUARDIAN NORTHWEST TITLE CO.

MODIFICATION OF DEED OF TRUST 91955

Reference # (if applicable): 200706210084 (CMLG1157)

Additional on page ____

Grantor(s):

1. Hansell/Mitzel, LLC

Grantee(s)

1. Horizon Bank

Legal Description: Section 9, Township 34, Range 4; Ptn NE SE (aka Div. 1 of Survey
200612190063)

Additional on page 2

Assessor's Tax Parcel ID#: 340409 4 005 0700 (P124126)

THIS MODIFICATION OF DEED OF TRUST dated August 28, 2009, is made and executed between Hansell/Mitzel, LLC; A Washington Limited Liability Company ("Grantor") and Horizon Bank, whose address is Skagit Commercial Center, 2211 Rimland Drive, Suite 230, Bellingham, WA 98226 ("Lender").

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

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated June 19, 2007 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded June 21, 2007, recording No. 200706210084, Skagit County Auditor.

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

Parcel A:

Lots 1 through 20 inclusive, and Lots 79 through 114, inclusive, Division 1 as delineated on Survey map recorded December 19, 2006 under Auditor's File No. 200612190063, records of Skagit County, Washington; being a portion of the Northeast 1/4 of the Southeast 1/4 of Section 9, Township 34 North, Range 4 East, W.M.

Parcel B:

A non-exclusive easement for ingress, egress and utilities over 30th Street as delineated on Survey map recorded December 19, 2006 under Auditor's File No. 200612190063, records of Skagit County, Washington.

Situate in Skagit County, State of Washington

The Real Property or its address is commonly known as Parcel No. 340409 4 005 0700 (P124126), Mount Vernon, WA 98273. The Real Property tax identification number is 340409 4 005 0700 (P124126).

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

This Deed of Trust now secures a Promissory Note dated August 28, 2009 in the amount of \$8,442,180.45 from Grantor to Lender, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Promissory Note or Agreement. The above referenced note is a renewal and/or replacement of Promissory Note dated May 15, 2009 in the amount of \$3,649,135.04 and Promissory Note dated May 27, 2009 in the amount of \$4,793,045.41.

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.

COUNTERPARTS. This Agreement may be executed in a number of identical counterparts and by each party on a separate counterpart. If so executed, all of such counterparts shall collectively constitute one agreement.

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 AUGUST 28, 2009.

GRANTOR:

HANSELL/MITZEL, LLC

By:


Daniel R. Mitzel, Manager of Hansell/Mitzel, LLC

By:


Jeffrey D. Hansell, Manager of Hansell/Mitzel, LLC



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MODIFICATION OF DEED OF TRUST
(Continued)

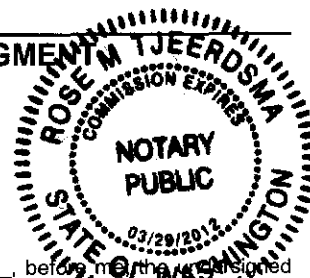
LENDER:

HORIZON BANK

X [Signature]
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF Skagit)

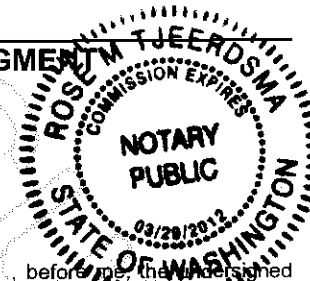


On this 31 day of Aug, 20 09, before me, the undersigned Notary Public, personally appeared Daniel R. Mitzel, Manager of Hansell/Mitzel, LLC, and personally known to me or proved to me on the basis of satisfactory evidence to be a member or designated agent of the limited liability company that executed 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 Rose M Tjeerdsma Residing at Burlington
Notary Public in and for the State of WA My commission expires 3/29/2012

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF Skagit)



On this 31 day of Aug, 20 09, before me, the undersigned Notary Public, personally appeared Jeffrey D. Hansell, Manager of Hansell/Mitzel, 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 Rose M Tjeerdsma Residing at Burlington
Notary Public in and for the State of WA My commission expires 3/29/2012

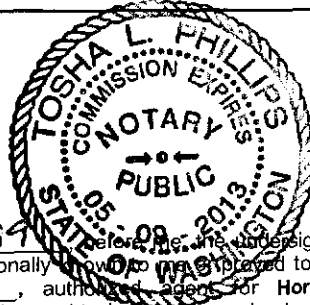


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MODIFICATION OF DEED OF TRUST
(Continued)

LENDER ACKNOWLEDGMENT

STATE OF Washington)
)
) SS
COUNTY OF Skagit)



On this 31st day of August, 2009, I, the undersigned Notary Public, personally appeared Jay Kaufman and personally know and believe to me on the basis of satisfactory evidence to be the authorized agent, authorized agent for Horizon Bank that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Horizon Bank, duly authorized by Horizon Bank 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 in fact executed this said instrument on behalf of Horizon Bank.

By Tosha L. Phillips
Notary Public in and for the State of WA

Residing at Mount Vernon
My commission expires 5-9-2013



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