

After Recording Mail To:

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U.S. Bank National Association 10800 N.E. Eighth Street, Suite 1000 Bellevue, WA 98004 Attention: Jocelyn Raczka

THIRD AMENDMENT TO WASHINGTON DEED OF TRUST, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS AND LEASES (INCLUDING FIXTURE FILING UNDER UNIFORM COMMERCIAL CODE)

Coversheet Recording Information:

Reference

200412030131

Number(s) of Documents amended:

GRANTOR:

1. QUATTRO PROPERTIES L.L.C., a Washington

limited liability company
2. Lehmann, Darrell L.

3. Tanaka, Gene

4. Tanaka, Ruby Camille, fka Cheryl Tanaka

GRANTEE

U.S. BANK NATIONAL ASSOCIATION, a

(Beneficiary):

national banking association

GRANTEE

U.S. BANK TRUST COMPANY, NATIONAL

(Trustee):

ASSOCIATION

LEGAL

Section 4, Township 32, Range 2; ptn. S½ -NE¼ and

DESCRIPTION: Lots 1-4, Block 1, "ROBERTSON-EVERETT

ADDITION" and Lot 1, Block 2, "ROBERTSON-

EVERETT ADDITION"

The complete legal description is on Exhibit A.

ASSESSOR'S PROPERTY TAX PARCEL ACCOUNT NUMBERS: 3985-001-002-0009 (P68499); 3985-001-003-0008 (P68500); 3985-001-004-0007 (P68501); 340204-0-057-0006 (P19852); 340204-0-014-0008 (P19802); 340204-1-016-0006 (P19804); 3985-002-001-0008 (P68515)

THIRD AMENDMENT TO WASHINGTON DEED OF TRUST, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS AND LEASES (INCLUDING FIXTURE FILING UNDER UNIFORM COMMERCIAL CODE)

This THIRD AMENDMENT TO WASHINGTON DEED OF TRUST, SECURITY AGREEMENT AND ASSIGNMENT OF RENTS AND LEASES (INCLUDING FIXTURE FILING UNDER UNIFORM COMMERCIAL CODE), dated as of October 19, 2010 ("Amendment") is by and between by Grantor, QUATTRO PROPERTIES L.L.C., a Washington limited liability company, DARRELL L. LEHMAN, GENE TANAKA and RUBY CAMILLE TANAKA fka Cheryl Tanaka (jointly and severally, "Grantor"), whose collective mailing address is 12441 Bartholomew Road, Anacortes, Washington, 98221; and U.S. BANK NATIONAL ASSOCIATION, ("Lender" or "Beneficiary"), whose mailing address is 10800 N.E. Eighth Street, Suite 1000, Bellevue, Washington 98004, and is made with reference to the following:

RECITALS

- A. U.S. Bank National Association has a Washington deed of trust, security agreement, assignment of rents and leases, and fixture filing in favor of it made by Grantor, as grantor, dated October 29, 2004, recorded on December 3, 2004 in Skagit County, Washington as recording no. 200412030131 ("Deed of Trust"), covering the property legally described as set forth on Exhibit A attached hereto.
- B. Grantor and Lender desire to amend the Deed of Trust, to reflect the terms of a note modification agreement between Quattro Properties, L.L.C. ("Borrower") and Lender of even date herewith ("Amendment Agreement").

AGREEMENTS

Therefore, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereby agree as follows:

- 1. The terms used in this Amendment shall have the same meanings as in the Deed of Trust, unless otherwise set forth herein or a different meaning is required by the context hereof.
- 2. Grantor represents and warrants that it is the sole holder of a fee simple absolute title to the Property and good title to the personal property, and that said title is marketable and subject only to those liens, encumbrances, easements, assessments, security interests, claims or defects as expressly permitted by the Lender.
- 3. The Deed of Trust is amended to reflect that the Note has been amended pursuant to the Amendment Agreement.

THIRD AMENDMENT TO DEED OF TRUST 12187-5285/LEGAL19421709.2

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- 4. The parties intend that the Deed of Trust and this Amendment shall be construed as a single instrument. Except as expressly modified hereby, the terms of the Deed of Trust, all of which are hereby incorporated by reference, remain in full force and effect. This Amendment is not intended as, nor shall it be construed as, a substitution for the original Deed of Trust, nor shall anything herein impair the lien or priority of the Deed of Trust. Grantor hereby ratifies, confirms and reaffirms in all respects and without condition, all of the terms, covenants and conditions set forth in the Deed of Trust, as modified hereby. Grantor hereby agrees that the Deed of Trust, as amended hereby, remains in full force and effect as of the date hereof, and nothing herein contained shall be construed to impair the security or affect the first priority lien of the Deed of Trust, nor impair any rights or powers which Lender or its successors and assigns may have for the nonperformance of any term contained in the Deed of Trust, as amended hereby. All collateral, liens and other security interests and pledges created pursuant to, or referred to in, the Deed of Trust, shall continue to secure the existing Indebtedness due under the Deed of Trust, as amended hereby.
- 5. If any term or provision of this Amendment shall be prohibited by or invalid under any applicable law, such provision shall be invalidated without affecting the remaining provisions of this Amendment or the Deed of Trust, respectively.
- 6. This Amendment and the rights and obligations of the party hereunder shall be governed by, and shall be construed and enforced in accordance with the internal laws of the state of Washington, without regard to conflicts of laws and principals.
- 7. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.
- 8. This Amendment may be executed in any number of counterparts and by different parties hereto and separate counterparts, each of which when executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instruments; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, Grantor has executed this Deed of Trust as of the date first above written.

GRANTOR:

QUATTRO PROPERTIES L.L.C., a Washington limited liability company

By Darrell L. Lehmann, Member

By Gene Tanaka, Member

Darrell L. Lehmann

Gene Tanaka

Ruby Camille Tanaka, fka Cheryl Tanaka

BENEFICIARY:

U.S. BANK NATIONAL ASSOCIATION,

Ву

Jennifer Daguiz Vice President

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STATE OF WASHINGTON)

county of Skacyt

I certify that I know or have satisfactory evidence that Darrell L. Lehmann is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a member of QUATTRO PROPERTIES L.L.C., a Washington limited liability company, to be the free and voluntary act of such parties for the uses and purposes mentioned in the instrument.

Dated: October 26th, 2010.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of Washington, residing at M+ Verno.

My appointment expires: 10/1/1/1.

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STATE OF WASHINGTON) COUNTY OF SKASIT

I certify that I know or have satisfactory evidence that Gene Tanaka is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as a member of QUATTRO PROPERTIES L.L.C., a Washington limited liability company, to be the free and voluntary act of such parties for the uses and purposes mentioned in the instrument.

Dated: October 26th, 2010.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State

of Washington, residing at M+ Vernor My appointment expires: 101

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PAGE 5 TION COPY] STATE OF WASHINGTON) ss COUNTY OF Skaak)

GIVEN UNDER my hand and official seal hereto affixed the day and year in this certificate first above written.

PUBLIC OF WAS

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State

of Washington, residing at My Vernon My appointment expires: 10 1 111

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STATE OF WASHINGTON) ss. COUNTY OF Skasit On this 26th day of October, 2010, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Gene Tanaka, to me known to be the individual who executed the within and foregoing instrument, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned. GIVEN UNDER my hand and official seal hereto affixed the day and year in this certificate first above written. (Signature of Notary) (Print or stamp name of Notary) NOTARY PUBLIC in and for the State of Washington, residing at MH Vern Dr. My appointment expires:

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STATE OF WASHINGTON COUNTY OF Skasit

On this JUH day of October, 2010, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Ruby Camille Tanaka, fka Cheryl Tanaka, to me known to be the individual who executed the within and foregoing instrument, and acknowledged that she signed the same as her free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN UNDER my hand and official seal hereto affixed the day and year in this certificate first above written.

(Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of Washington, residing at MI Venutr

My appointment expires:

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STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 27^M day of OCIONER, 2010, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Jennifer Daquiz, to me known to be the person who signed as a Vice President of U.S. BANK NATIONAL ASSOCIATION, the national banking association that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said national banking association for the uses and purposes therein mentioned, and on oath stated that she was duly elected, qualified and acting as said officer of the national banking association and that he was authorized to execute said instrument.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

ELIZABETH R. OBRIEN-YANG STATE OF WASHINGTON NOTARY PUBLIC

MY COMMISSION EXPIRES 10-19-14 (Signature of Notary)

(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State of Washington, residing at Ling Char

My appointment expires: 10.16

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EXHIBIT A to Third Amendment to Deed of Trust

Legal Description

The Land is located in Skagit County, Washington, and is legally described as follows:

Parcel "A":

Lots 1 and 2, Block 1, "ROBERTSON-EVERETT ADDITION", as per plat recorded in Volume 7 of Plats, page 32, records of Skagit County, Washington.

Parcel "B":

Lots 3 and 4, Block 1, "ROBERTSON-EVERETT ADDITION", as per plat recorded in Volume 7 of Plats, page 32, records of Skagit County, Washington

Parcel "C":

That portion of the Southwest 1/4 of the Northeast 1/4 of Section 4, Township 34 North, Range 2 East, W.M., delineated as Tract "A" of "PLAT OF ROBERTSON-EVERETT ADDITION", as filed in Volume 7 of Plats, page 32, TOGETHER WITH that portion, if any, of the Southwest 1/4 of the Northeast 1/4 of Section 4, Township 34 North, Range 2 East, W.M., described as follows:

Beginning at the Southeast comer of the above described Tract "A"; thence South along the West line of Lot 1, Block 2, of said Plat, and said West line extended to the South line of the North 825 feet of said Southwest 1/4 of the Northeast 1/4 of Section 4, Township 34 North, Range 2 East, W.M.; thence West to the East line of County Road, 264 feet, more or less, commonly known as Bartholomew Road; thence North along the East line of said road to a point due West of the Southwest corner of said Tract "A"; thence East to said Southwest corner of Tract "A"; thence East along the South line of said Tract "A" to the point of beginning.

EXCEPT any portion lying South of the North line of the following described parcel:

That portion of the Southwest 1/4 of the Northeast 1/4 of Section 4, Township 34 North, Range 2 East, W.M. described as follows:

Beginning at a point on the East line of the County Road, 825 feet South and 20 feet East of the Northwest corner of said subdivision; thence East, 264 feet; thence North, 82.5 feet;

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thence West, 264 feet to the East line of the County road; thence South along said County Road 82.5 feet to the point of beginning.

AND EXCEPT any portion lying within the boundaries of the County Road running along the West line thereof.

Parcel "D":

Commencing at a point 825 feet South of the Northwest corner of the South ½ of the Northeast ¼ of Section 4, Township 34 North, Range 2 East, W.M.; thence running East, 370 feet; thence South, 350 feet; thence West, 370 feet to the West line of the aforesaid Northeast ¼ of Section 4; thence North to the place of beginning, EXCEPT that portion thereof lying within the boundaries of the County road running along the West line thereof.

ALSO EXCEPT that portion conveyed to Skagit County for road purposes, by Deed recorded under Auditor's File No. 462316.

Parcel "E":

That portion of the Southwest ¼ of the Northeast ¼ of Section 4, Township 34 North, Range 2 East, W.M., described as follows:

Beginning at a point on the East line of the County road, 825 feet South and 20 feet East of the Northwest corner of said subdivision; thence East, 264 feet; thence North, 82.5 feet; thence West, 264 feet to the East line of the County road: thence South along said County road, 82.5 feet to the point of beginning.

Parcel "F":

Lot 1, Block 2, "ROBERTSON-EVERETT ADDITION", as per plat recorded in Volume 7 of Plats, page 32, records of Skagit County, Washington.

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