

UCC FINANCING STATEMENT
FOLLOW INSTRUCTIONS

A. NAME & PHONE OF CONTACT AT SUBMITTER (optional)
B. E-MAIL CONTACT AT SUBMITTER (optional)
C. SEND ACKNOWLEDGMENT TO: (Name and Address)
PEOPLES BANK 1801 RIVERSIDE DRIVE MOUNT VERNON, WA 98273
210770

SEE BELOW FOR SECURED PARTY CONTACT INFORMATION

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

1a. ORGANIZATION'S NAME CHANNEL INVESTMENT GROUP LLC				
OR	1b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
20446 CURRAN PL	MOUNT VERNON	WA	98274	USA

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

2a. ORGANIZATION'S NAME				
OR	2b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
				USA

3. SECURED PARTY'S NAME (or NAME OF ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

3a. ORGANIZATION'S NAME PEOPLES BANK				
OR	3b. INDIVIDUAL'S SURNAME	FIRST PERSONAL NAME	ADDITIONAL NAME(S)/INITIAL(S)	SUFFIX
3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
1801 RIVERSIDE DRIVE	MOUNT VERNON	WA	98273	USA

4. COLLATERAL: This financing statement covers the following collateral:

All Fixtures together with Exhibit "A" and Leasehold Improvements including but not limited to State-Owned Aquatic Land being put up as collateral. Additionally, DNR Lease No. 22-A02677 and specific improvements being pledged as collateral including pilings, two fixed piers, floating dock, ramp, and/or bank armoring area, etc.; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to any of the foregoing.

Address: 205 North 1st Street, La Conner, WA 98257

Abbreviated Legal: Lots 8-13/Block 1-Calhoun Add to Town of LaConner; TGW abutting Tidelands

Tax Parcel Numbers: 4124-001-008-0003/P74111 & 4124-001-011-0008/P74112 & 4124-001-012-0007/P74113 & 4124-001-013-0006/P74114 & 4129-018-002-0008/P74452 & 4129-018-900-2601/P74504 & 4129-018-900-2700/P74505 & 4129-018-900-0308/P74481 & 4129-018-900-0407/P74482

Full Legal - See attached Exhibit "A" on page 3.

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, Item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box.

Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility Agricultural Lien Non-UCC Filing

6b. Check only if applicable and check only one box.

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:

5054401-201

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

9a. ORGANIZATION'S NAME
CHANNEL INVESTMENT GROUP LLC

OR

9b. INDIVIDUAL'S SURNAME

FIRST PERSONAL NAME

ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c.

10a. ORGANIZATION'S NAME

OR

10b. INDIVIDUAL'S SURNAME

INDIVIDUAL'S FIRST PERSONAL NAME

INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

10c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

11a. ORGANIZATION'S NAME

OR

11b. INDIVIDUAL'S SURNAME FIRST PERSONAL NAME ADDITIONAL NAME(S)/INITIAL(S) SUFFIX

11c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

13. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)

15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):
**CHANNEL INVESTMENT GROUP LLC
20446 CURRAN PL
MOUNT VERNON, WA 98274**

14. This FINANCING STATEMENT:
 covers timber to be cut covers as-extracted collateral is filed as a fixture filing

16. Description of real estate:
Full Legal - See attached Exhibit "A" on page 3.

17. MISCELLANEOUS:

EXHIBIT "A"

The Land referred to herein below is situated in the County of Skagit, State of Washington, and is described as follows:

PARCEL "A":

Lots 8, 9, 10, 11, 12 and 13, Block 1, "CALHOUN ADDITION TO THE TOWN OF LA CONNER", as per plat recorded in Volume 1 of Plats, page 14, records of Skagit County, Washington.

Situate in the Town of La Conner, County of Skagit, State of Washington.

PARCEL "B":

That portion of Tract 2, Plate No. 18, Tide and Shorelands of Section 36, Township 34, Range 2 East, W.M., LACONNER HARBOR, Skagit County, State of Washington, according to plat thereof on record in the office of the Commissioner of Public Lands at Olympia, Washington, lying Southerly of the plat of "JOHANSON'S FIRST ADDITION TO THE TOWN OF LACONNER", according to the plat recorded in Volume 3 of Plats, page 56, records of Skagit County, Washington.

Situate in the Town of La Conner, County of Skagit, State of Washington.

PARCEL "C":

That portion of Tract 3 of Corrected Plate No. 18, Tide and Shorelands of Section 36, Township 34 North, Range 2 East, W.M., "LACONNER HARBOR, SKAGIT COUNTY, WASHINGTON", according to plat thereof on record in the office of the Commissioner of Public Lands at Olympia, Washington, lying Northerly of the Westerly extension of the South line of Lot 9, Block 1, "CALHOUN ADDITION TO THE TOWN OF LACONNER", as per plat recorded in Volume 1 of Plats, page 14, records of Skagit County, Washington.

Situate in the Town of La Conner, County of Skagit, State of Washington.