



200601050123

Skagit County Auditor

1/5/2006 Page

1 of 11 3:31PM

Return Address

Dickinson Wright PLLC
38525 Woodward, Suite 2000
Bloomfield Hills, MI 48304-2970
Attention: Stephen E. Dawson

LAND TITLE OF SKAGIT COUNTY 11 5097-T

Document Title(s) (or transactions contained therein):

ASSIGNMENT AND ASSUMPTION AGREEMENT

Reference Number(s) of Documents assigned or released:

(on page ___ of document(s))

9901270043

Grantor(s) (Last name first, then first name and initials):

1. Gordon, Larry
2. Gordon, Virginia
3. L and V Properties II LLC

☐ Additional names on page ___ of document.**Grantee(s)** (Last name first, then first name and initials):

1. DaimlerChrysler Services North America LLC
- 2.
- 3.

☐ Additional names on page ___ of document.**Legal description** (abbreviated: i.e. lot, block, plat or section, township, range)

Lot 9, Hilde Commercial Facility BSP #97-0361

☒ Full legal is on Exhibit A of document.**Assessor's Property Tax Parcel/Account Number**

8020-000-009-0000

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Agreement") is made and entered into as of this 13th day of December, 2005, by and among LARRY GORDON and VIRGINIA GORDON, husband and wife, whose address is 277 Stewart Road SW, Pacific, WA 98047 (collectively, "Gordon"), L AND V PROPERTIES II LLC, a Washington limited liability company, whose address is 21309 Snag Island Drive East, Sumner, WA 98390 ("L and V"), and DAIMLERCHRYSLER SERVICES NORTH AMERICA LLC, a Michigan limited liability company (successor by merger to Mercedes-Benz Credit Corporation), having an office at 27777 Inkster Road, Farmington Hills, Michigan 48334-5326 ("Lender").

WITNESSETH:

WHEREAS, pursuant to a certain Loan Agreement dated January 27, 1999 among Gordon, Lender and Valley Freightliner, Inc., a Washington corporation ("VFI"), as amended by a certain All-Encompassing Amendment to Existing Loan Documents dated June 2, 2004 by Gordon for the benefit of Lender, Lender made a loan (the "Gordon Loan") to Gordon in the principal amount of \$741,115.00, as evidenced by a certain Promissory Note dated January 27, 1999 in the amount of the Gordon Loan, which Note was amended by a certain First Amended and Restated Promissory Note dated June 2, 2004, in the principal amount of \$618,085.15 (collectively, the "Gordon Note");

WHEREAS, the Gordon Note is secured by a certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated January 27, 1999 and recorded under Skagit County Auditor's No. 9901270043, as amended by a certain First Amendment to Deeds of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated June 2, 2004 and recorded under Skagit County Auditor's No. 200406150004 (the Deed of Trust, as amended, is hereinafter referred to as the "Gordon Deed of Trust"), which Gordon Deed of Trust is a lien on certain real property located in Skagit County, Washington and legally described on Exhibit A attached hereto and the improvements thereon (the "Property");

WHEREAS, pursuant to a certain Continuing Guaranty dated January 27, 1999, as amended by a certain All-Encompassing Amendment to Guarantor Loan Documents dated June 2, 2004 (collectively, the "Gordon Loan Guaranty"), VFI guaranteed the repayment of the Gordon Loan;

WHEREAS, pursuant to a certain Building Loan Agreement dated January 27, 1999 among VFI, Lender and Gordon, as amended by a certain All-Encompassing Amendment to Existing Loan Documents dated June 2, 2004 by VFI for the benefit of Lender, Lender made a loan (the "VFI Loan") to VFI in the principal amount of \$2,980,885.00, as evidenced by a certain Promissory Note dated January 27, 1999 in the amount of the VFI Loan, which Note



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was amended by a certain First Amended and Restated Promissory Note dated June 2, 2004, in the principal amount of \$2,046,511.60 (collectively, the "VFI Note");

WHEREAS, the VFI Note is secured by a certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated January 27, 1999 and recorded under Skagit County Auditor's No. 9901270045, as amended by a certain First Amendment to Deeds of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated June 2, 2004 and recorded under Skagit County Auditor's No. 200406150004 (the Deed of Trust, as amended, is hereinafter referred to as the "VFI Deed of Trust"), which VFI Deed of Trust is a lien on the Property;

WHEREAS, pursuant to a certain Continuing Personal Guaranty dated January 27, 1999, as amended by a certain All-Encompassing Amendment to Guarantor Loan Documents dated June 2, 2004 (collectively, the "VFI Loan Guaranty"), Gordon guaranteed the repayment of the VFI Loan; and

WHEREAS, Gordon has on even date herewith conveyed the Property to L and V, and as a condition of such conveyance, L and V has agreed to assume (i) the outstanding principal balance under the Gordon Note; (ii) all of Gordon's obligations under all loan documents executed by Gordon in connection with the Gordon Note (collectively, the "Gordon Loan Documents"); and (iii) all of Gordon's obligations under the VFI Deed of Trust and the VFI Loan Guaranty.

NOW, THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, receipt whereof is hereby severally acknowledged, L and V, Gordon and Lender hereby agree as follows:

1. L and V hereby assumes Gordon's indebtedness under the Gordon Note (which has a current principal balance of \$557,795.15).
2. Gordon hereby assigns to L and V, and L and V hereby assumes from Gordon, all of Gordon's rights, title and interest in and obligations under the Gordon Loan Documents (including, but not limited to, the Gordon Deed of Trust), the VFI Deed of Trust and the VFI Loan Guaranty.
3. L and V hereby acknowledges and agrees that the obligations secured by the Gordon Deed of Trust shall include the obligations of L and V under the Gordon Note and all other Gordon Loan Documents and under all loan documents executed by L and V on even date herewith and that the obligations secured by the VFI Deed of Trust shall include the obligations of VFI under the VFI Note and all other loan documents executed by VFI in connection with the VFI Note (collectively, together with the VFI Note, the "VFI Loan Documents").



4. L and V hereby acknowledges and reaffirms the grant and security interest in its interest in the improvements, fixtures and all real and personal property located on the Property as further described in the Gordon Deed of Trust and the VFI Deed of Trust.

5. L and V hereby acknowledges and reaffirms that the Gordon Deed of Trust as modified hereby is a valid first lien upon the Property and the VFI Deed of Trust as modified hereby is a valid second lien upon the Property, and L and V promises and agrees to fulfill all of the terms contained in the Gordon Deed of Trust and the VFI Deed of Trust.

6. L and V hereby acknowledges and reaffirms the assignment and grant of security interest in its interest in the leases, profits and rents of the Property set forth in the Gordon Deed of Trust and the VFI Deed of Trust.

7. Lender hereby consents to the transfer of Gordon's interest in the Property to L and V. L and V acknowledges and agrees that Lender's consent to the transfer of Gordon's interest in the Property to L and V is not intended to be and shall not be construed as a consent to any subsequent transfer that requires Lender's consent pursuant to the terms of the Gordon Loan Documents or the VFI Loan Documents.

8. Lender hereby releases Gordon from all obligations under the Gordon Loan Documents, the VFI Deed of Trust and the VFI Loan Guaranty.

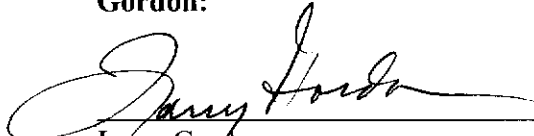
9. Nothing contained herein shall in any way impair the Gordon Note, the VFI Note, the Gordon Deed of Trust or the VFI Deed of Trust, or the security now held for the indebtedness secured thereunder, or alter, waive, annul, vary or affect any provision, term, condition, or covenant therein, and as subsequently modified, except as herein provided, nor affect or impair any rights, powers, privileges, duties or remedies under the Gordon Note, the VFI Note, the Gordon Deed of Trust or the VFI Deed of Trust, it being the intent of the parties hereto that the terms and provisions thereof shall continue in full force and effect, except as specifically modified hereby. Without limiting the generality of the foregoing, it is acknowledged and agreed that VFI shall remain primarily liable under the VFI Note and the VFI Deed of Trust.

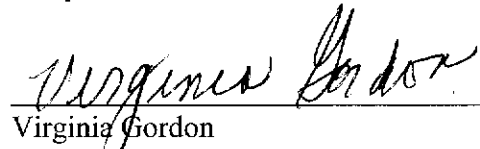
10. This Agreement shall be binding upon the heirs, successors and assigns of the parties hereto. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same Agreement. The recitals are true and correct and are hereby incorporated herein by reference.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

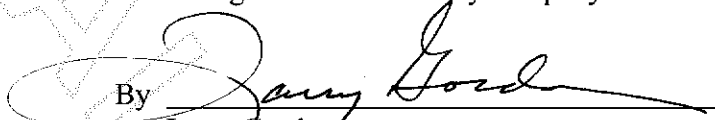
Gordon:

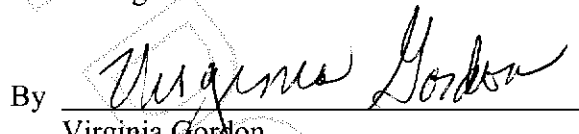

Larry Gordon


Virginia Gordon

L and V:

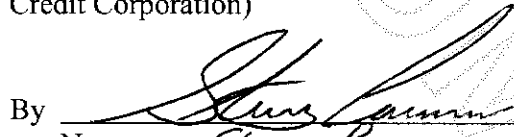
L AND V PROPERTIES II LLC,
a Washington limited liability company

By 
Larry Gordon
Manager

By 
Virginia Gordon
Manager

Lender:

DAIMLERCHRYSLER SERVICES NORTH
AMERICA LLC, a Michigan limited liability
company (successor by merger to Mercedes-Benz
Credit Corporation)

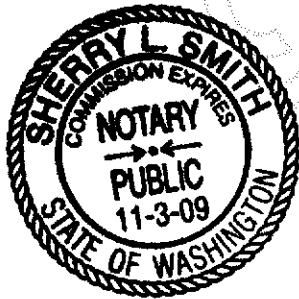
By 
Name: Steve Carcone
Title: Real Estate Administrator



STATE OF WASHINGTON)
COUNTY OF PIERCE) ss.
PACIFIC)

On this 13 day of DECEMBER, 2005, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared LARRY GORDON and VIRGINIA GORDON, to me known to be the individuals who executed the within and foregoing instrument, and acknowledged that they signed the same as their 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.



Sherry L. Smith
(Signature of Notary)

SHERRY L. SMITH
(Print or stamp name of Notary)

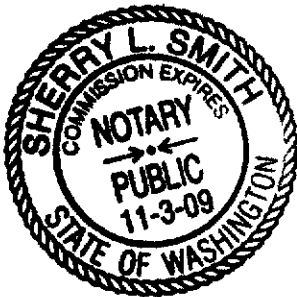
NOTARY PUBLIC in and for the State
of Washington, residing at PACIFIC.
My appointment expires: 11-3-2009.



STATE OF WASHINGTON)
COUNTY OF PIERCE) ss.
PACIFIC)

On this 13 day of DECEMBER, 2005, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Larry Gordon and Virginia Gordon, to me known to be the persons who signed as Managers of L AND V PROPERTIES II LLC, the limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company for the uses and purposes therein mentioned, and on oath stated that they were duly elected, qualified and acting as said officers of the limited liability company and that they were authorized to execute said instrument.

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



Sherry L. Smith
(Signature of Notary)

SHERRY L. SMITH
(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at PACIFIC
My appointment expires: 11-3-2009
SLS



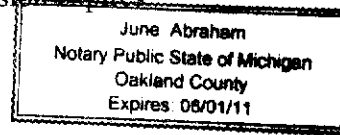
STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

On this 20 day of December 2005 before me personally appeared Steve Carone, to me known to be the RAI estate Adm
DAIMLERCHRYSLER SERVICES NORTH AMERICA LLC, a Michigan limited liability
company, and acknowledged said instrument to be the free and voluntary act and deed of said
company, for the uses and purposes therein mentioned, and on oath states that he was
authorized to execute said instrument.

In Witness Whereof I have hereto set my hand and affixed my official seal the day
and year first above written.

June Abraham
_____, Notary Public
_____, County, Michigan
Acting in Oakland County.
My commission expires: _____

[SEAL]



CONSENT OF GUARANTOR*

VFI, as guarantor of the indebtedness evidenced by the Gordon Note pursuant to the Gordon Loan Guaranty, hereby consents to the terms of this Agreement, agrees that its guaranty obligations under the Gordon Loan Guaranty shall continue to cover the indebtedness evidenced by the Gordon Note and the obligations of L and V under the Gordon Loan Documents and agrees that it remains primarily liable under the VFI Note and the VFI Deed of Trust.

- * All terms not defined herein shall have the same meaning ascribed to such terms in the body of this document.

VFI:

VALLEY FREIGHTLINER, INC.

By

Name:

Title:

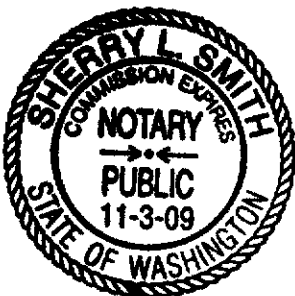
Larry Gordon
President



STATE OF WASHINGTON)
COUNTY OF PIERCE) ss.
PACIFIC)

On this 13 day of DECEMBER, 2005, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared LARRY GORDON, to me known to be the person who signed as PRESIDENT of VALLEY FREIGHTLINER, INC., the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was duly elected, qualified and acting as said officer of the corporation, that he was authorized to execute said instrument and that the seal affixed, if any, is the corporate seal of said corporation.

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



Sherry L. Smith
(Signature of Notary)

SHERRY L. SMITH
(Print or stamp name of Notary)

NOTARY PUBLIC in and for the State
of Washington, residing at PACIFIC.
My appointment expires: 11-3-2009.



EXHIBIT A

Legal Description

Lot 9, Hilde Commercial Facility Binding Site Plan No. 97-0361, approved November 25, 1998, recorded November 25, 1998 in Volume 13 of Short Plats, pages 186 and 187, under auditor's File No. 9811250022 and being a portion of the Northwest $\frac{1}{4}$ of the Southwest $\frac{1}{4}$, Section 32, Township 34 North, Range 4 East, W.M.

Situate in the County of Skagit, State of Washington

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[03777-0004/SB052070.015]



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