

RETURN ADDRESS:
PEOPLES BANK
MOUNT VERNON OFFICE
1801 RIVERSIDE DRIVE
MOUNT VERNON, WA
98273



200110030113
Skagit County Auditor
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FIRST AMERICAN TITLE CO.

MODIFICATION OF DEED OF TRUST

m7665

Reference # (if applicable): 200104170071

ACCOMMODATION RECORDING ONLY
Additional on page _____

Grantor(s):

1. HOREN, JOHN J.

Grantee(s)

1. PEOPLES BANK

Legal Description: SEC 9, T 34, R 4; PTN. SW-SE
AKA LOT 2, SHORT PLAT MV-4-00

Additional on page 2

Assessor's Tax Parcel ID#: 340409-4-005-0400 R11770

THIS MODIFICATION OF DEED OF TRUST dated September 25, 2001, is made and executed between JOHN J. HOREN, AS HIS SEPARATE ESTATE, whose mailing address is 16197 COLONY RD BOW, WA 98232 ("Grantor") and PEOPLES BANK, MOUNT VERNON OFFICE, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender").

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 51102257-203

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated April 16, 2001 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded April 17, 2001 under recording no. 200104170071 in records of Skagit County, WA.

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

LOT 2, MOUNT VERNON SHORT PLAT NO. MV-4-00, APPROVED JANUARY 8, 2001, AND RECORDED JANUARY 26, 2001, UNDER AUDITOR'S FILE NO. 200101260059, BEING A PORTION OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 9, TOWNSHIP 34 NORTH, RANGE 4 EAST, W.M.

SITUATED IN THE STATE OF WASHINGTON, COUNTY OF SKAGIT

The Real Property or its address is commonly known as 3407 MARTIN RD, MOUNT VERNON, WA 98273. The Real Property tax identification number is 340409-4-005-0400 R11770.

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

Increase principal amount from \$106,000.00 to \$111,000.00.

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.

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 SEPTEMBER 25, 2001.

GRANTOR:

X JOHN J. HOREN, Individually

LENDER:

James M. Hordley
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

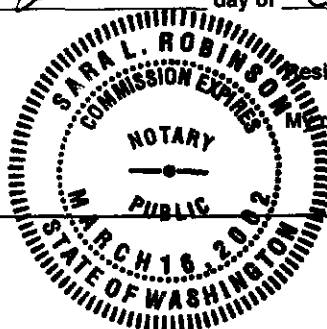
STATE OF Washington)
) SS
COUNTY OF Skagit)

On this day before me, the undersigned Notary Public, personally appeared JOHN J. HOREN, personally known to me or proved to me on the basis of satisfactory evidence to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 2nd day of October, 20 01

By Sara L. Robinson

Notary Public in and for the State of WA



Residing at Sequoia Woodley, WA
My commission expires March 16, 2002



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MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 51102257-203

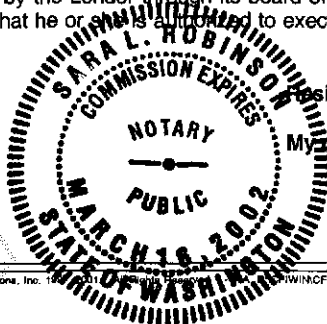
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LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this 2nd day of October, 20 01, before me, the undersigned Notary Public, personally appeared James M. Vandermay and personally known to me or proved to me on the basis of satisfactory evidence to be the Vice President, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender 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 that the seal affixed is the corporate seal of said Lender.

By Sara L. Robinson residing at Sedro Woolley, WA
Notary Public in and for the State of WA My commission expires March 16, 2002



LASER PRO Lending, Ver. 5.17.20.08 Copr. Harland Financial Solutions, Inc. W\WINCF\PL\G202.FC TR-1556 PR-4



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