

RETURN ADDRESS:

Peoples Bank
Loan Services Department
P.O. Box 233
Lynden, WA 98264



200304150234
Skagit County Auditor

4/15/2003 Page 1 of 3 3:37PM

MODIFICATION OF DEED OF TRUST

FIRST AMERICAN TITLE CO.

73512

Reference # (if applicable): 200202130268

Additional on page _____

Grantor(s):

1. Holden, James C
2. Holden, Lois L

Grantee(s)

1. PEOPLES BANK

Legal Description: PORTION LOT 8, ASSESSOR'S PLAT OF JESS KNUTZEN'S TRACTS

Additional on page 2

Assessor's Tax Parcel ID#: 3932-000-008-0009 (P66209)

THIS MODIFICATION OF DEED OF TRUST dated April 11, 2003, is made and executed between James C. Holden and Lois L. Holden, husband and wife, whose address is 16687 Peterson Rd, Burlington, WA 98233 ("Grantor") and PEOPLES BANK, MOUNT VERNON OFFICE, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender").

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

Loan No: 5712406-1

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated February 8, 2002 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

RECORDED FEBRUARY 13, 2002 UNDER AUDITOR'S FILE NO 200202130268 IN RECORDS OF SKAGIT COUNTY, WASHINGTON.

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

LOT 8, "ASSESSOR'S PLAT OF JESS KNUTZEN'S TRACTS", AS PER PLAT RECORDED IN VOLUME 8 OF PLATS, PAGE 85, RECORDS OF SKAGIT COUNTY, WASHINGTON.

EXCEPT THAT PORTION LYING EASTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 8; THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 8, A DISTANCE OF 4.2 FEET TO THE BEGINNING OF SAID LINE; THENCE NORTH 0 DEGREES 08'28" WEST, A DISTANCE OF 210.00 FEET, MORE OR LESS, TO THE NORTH LINE OF SAID LOT 8, BEING THE TERMINUS OF SAID LINE.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON

The Real Property or its address is commonly known as 16687 Peterson Rd, Burlington, WA 98233. The Real Property tax identification number is 3932-000-008-0009 (P66209)

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

THIS MODIFICATION OF DEED OF TRUST AMENDS THE DEED OF TRUST DATED FEBRUARY 8, 2002 WITH THE FOLLOWING AMENDMENTS:

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATED APRIL 11, 2003 FROM GRANTOR TO LENDER, TOGETHER WITH ALL RENEWALS OF, EXTENSIONS OF, MODIFICATIONS OF, REFINANCINGS OF, CONSOLIDATIONS OF, AND SUBSTITUTIONS FOR THE PROMISSORY NOTE OR AGREEMENT.

THE PRINCIPAL AMOUNT IS \$50,000.00 WHICH INCLUDES A NEW ADVANCE OF \$25,000.00

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 endorser, 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 APRIL 11, 2003.

GRANTOR:

X James C. Holden
James C Holden, Individually

X Lois L. Holden
Lois L Holden, Individually

LENDER:

X _____
Authorized Officer



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MODIFICATION OF DEED OF TRUST
(Continued)

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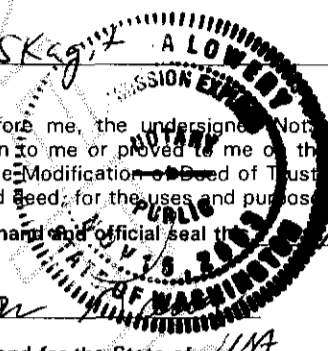
INDIVIDUAL ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF SKagit)

On this day before me, the undersigned Notary Public, personally appeared **James C Holden and Lois L Holden**, personally known to me or proved to me on the basis of satisfactory evidence to be the individuals described in and who executed the Modification of Deed of Trust and acknowledged that they signed the Modification as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 1st day of April, 2003

By [Signature] Residing at Mount Vernon
Notary Public in and for the State of WA My commission expires 11-15-03



LENDER ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

On this _____ day of _____, 20____, before me, the undersigned Notary Public, personally appeared _____ and personally known to me or proved to me on the basis of satisfactory evidence to be the _____, 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 _____ Residing at _____
Notary Public in and for the State of _____ My commission expires _____



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DUPLICATE DOCUMENT