

RETURN ADDRESS:

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



200305120073

Skagit County Auditor

5/12/2003 Page 1 of 3 9:35AM

FIRST AMERICAN TITLE CO.

MODIFICATION OF DEED OF TRUST

73761

Reference # (if applicable): 200204050135

Additional on page _____

Grantor(s):

- 1. Kraljevich, Sandra A.

Grantee(s)

- 1. PEOPLES BANK

Legal Description: SECTION 27, TOWNSHIP 35, RANGE 1, PORTION
NE 1/4 - SE 1/4

Additional on page 2

Assessor's Tax Parcel ID#: 350127-0-005-0002 (P32353) & 350127-0-006-0001 (P32354)

THIS MODIFICATION OF DEED OF TRUST dated May 2, 2003, is made and executed between Sandra A. Kraljevich, as her separate estate, whose address is 4020 33rd Street, Anacortes, WA 98221 ("Grantor") and PEOPLES BANK, ANACORTES OFFICE, 911 11th STREET, ANACORTES, WA 98221 ("Lender").

UNOFFICIAL DOCUMENT

MODIFICATION OF DEED OF TRUST

Loan No: 5022303-102

(Continued)

Page 2

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated March 14, 2002 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST DATED MARCH 14, 2002 AND RECORDED APRIL 5, 2002 UNDER AUDITOR'S FILE NO. 200204050135 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:

THAT PORTION OF THE NORTHEAST 1/4 OF SECTION 27, TOWNSHIP 35 NORTH, RANGE 1 EAST W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 832.8 FEET SOUTH OF THE NORTHEAST CORNER OF SECTION 27; THENCE SOUTH 380 FEET; THENCE WEST 293.6 FEET; THENCE EAST 287.6 FEET TO THE POINT OF BEGINNING;

EXCEPT ROADS, PARCEL "B";

THAT PORTION OF THE NORTHEAST 1/4 OF SECTION 27, TOWNSHIP 35 NORTH, RANGE 1 EAST W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SECTION 27, 1212.8 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SECTION; THENCE SOUTH ON THE EAST LINE OF SAID SECTION 109.7 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID SUBDIVISION; THENCE ANGLE RIGHT 87 DEGREES 29'00" AND RUN WESTERLY ON THE SOUTH LINE OF SAID SUBDIVISION, 295.6 FEET; THENCE ANGLE RIGHT 93 DEGREES 26'00" AND RUN NORTHERLY 127.5 FEET; THENCE ANGLE RIGHT 90 DEGREES AND RUN EASTERLY 293.6 FEET TO THE POINT OF BEGINNING.

EXCEPT THE SOUTH 80 FEET THEREOF CONVEYED TO THE CITY OF ANACORTES BY DEED RECORDED JANUARY 16, 1980 UNDER AUDITOR'S FILE NO. 8001160037.

SITUATE IN SKAGIT COUNTY, WASHINGTON

The Real Property or its address is commonly known as 4020 33rd St, Anacortes, WA 98221. The Real Property tax identification number is 350127-0-005-0002 (P32353) & 350127-0-006-0001 (P32354)

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

THIS MODIFICATION OF DEED OF TRUST AMENDS THE DEED OF TRUST MARCH 14, 2002 WITH THE FOLLOWING AMENDMENTS.

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATE MAY 2, 2003 FROM GRANTOR TO LENDER, TOGETHER WITH ALL RENEWALS OF, EXTENSIONS OF, MODIFICATION OF, REFINANCINGS OF, CONSOLIDATIONS OF, AND SUBSTITUTIONS FOR THE PROMISSORY NOTE OR AGREEMENT.

THE PRINCIPAL AMOUNT IS \$35,000.00, WHICH INCLUDES A NEW ADVANCE OF \$15,000.00.

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 endorses 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 MAY 2, 2003.

GRANTOR:

X Sandra A. Krajevich
Sandra A. Krajevich, Individually

LENDER:

X [Signature]
Authorized Officer



200305120073

Skagit County Auditor

5/12/2003 Page 2 of 3 9:35AM

UNRECORDED

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5022303-102

Page 3

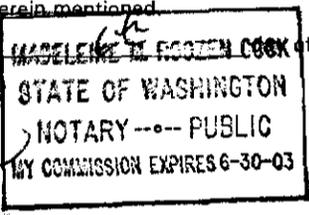
INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this day before me, the undersigned Notary Public, personally appeared **Sandra A. Kraljevich**, 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 May day of 2003

By Madeleine M. Rozen Cook Residing at Fallon
Notary Public in and for the State of WA My commission expires 6-30-03



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 _____

LASER PRO Lending, Ver. 5.21.50 002 Copr. Harland Financial Solutions, Inc. 1997, 2003. All Rights Reserved. WA C:\CP\W\M\CRILPL\G202.FC TR-7250 PR-11



200305120073
Skagit County Auditor