

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



200308070034
Skagit County Auditor

8/7/2003 Page 1 of 3 11:24AM

FIRST AMERICAN TITLE CO.

MODIFICATION OF DEED OF TRUST

TS260

Reference # (if applicable): 200207310152

Additional on page _____

Grantor(s):

1. Blaine, Kelly
2. Blaine, Monica

Grantee(s)

1. PEOPLES BANK

Legal Description: SECTION 18, TOWNSHIP 34, RANGE 5; PTN. E
1/2 OF NE 1/4 AND N 1/2 OF NE 1/4 OF SE 1/4,
AKA TRACT 4, SURVEY 805588

Additional on page 2

Assessor's Tax Parcel ID#: 340518-4-001-0303 (P30285)

THIS MODIFICATION OF DEED OF TRUST dated August 1, 2003, is made and executed between Kelly Blaine and Monica Blaine, husband and wife, whose address is 14459 Fawn Lane, Mount Vernon, WA 98273 ("Grantor") and PEOPLES BANK, SEDRO WOOLLEY OFFICE, 530B CROSSROAD SQUARE, SEDRO-WOOLLEY, WA 98284 ("Lender").

MODIFICATION OF DEED OF TRUST
(Continued)

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated April 23, 2002 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST DATED APRIL 23, 2002 AND RECORDED JULY 31, 2002 UNDER AUDITOR'S FILE NO. 200207310152 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:

TRACT 4, OF SURVEY RECORDED IN VOLUME 1 OF SURVEYS, PAGE 80, RECORDED AUGUST 30, 1974, UNDER AUDITOR'S FILE NO. 805588, BEING A PORTION OF THE EAST 1/2 OF THE NORTHEAST 1/4 AND THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 18, TOWNSHIP 34 NORTH, RANGE 5 EAST, W.M.

TOGETHER WITH THOSE CERTAIN 60-FOOT ROADWAY AND UTILITY EASEMENTS, AS SHOWN ON THE FACE OF THE SURVEY NOTED ABOVE AND AS GRANTED IN INSTRUMENT RECORDED SEPTEMBER 3, 1974, UNDER AUDITOR'S FILE NO. 805680, EXCEPT ANY PORTION LYING WITHIN THE MAIN TRACT ABOVE DESCRIBED.

SITUATED IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON

The Real Property or its address is commonly known as 14459 Fawn Lane, Mount Vernon, WA 98273. The Real Property tax identification number is 340518-4-001-0303 (P30285)

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

THIS MODIFICATION OF DEED OF TRUST AMENDS THE DEED OF TRUST APRIL 23, 2002 WITH THE FOLLOWING AMENDMENTS.

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATE AUGUST 1, 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.

INCREASE THE PRINCIPAL AMOUNT FROM \$32,650.00 TO \$33,144.97, WHICH INCLUDES A NEW ADVANCE OF \$494.97.

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 AUGUST 1, 2003.

GRANTOR:

X Kelly Blaine
Kelly Blaine/individually

X Monica Blaine
Monica Blaine, individually

LENDER:

X _____
Authorized Officer



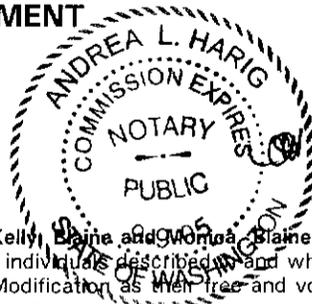
Skagit County Auditor

MODIFICATION OF DEED OF TRUST
(Continued)

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington

COUNTY OF Skagit



On this day before me, the undersigned Notary Public, personally appeared Kelly, Elaine and Monica Blaine, 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 2nd day of August, 2003

By [Signature]
Notary Public in and for the State of WA

Residing at Ackonwooley
My commission expires 9/9/05

LENDER ACKNOWLEDGMENT

STATE OF _____

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 _____
Notary Public in and for the State of _____

Residing at _____
My commission expires _____



200308070034
Skagit County Auditor