

RETURN ADDRESS:
PEOPLES BANK
LOAN SERVICES
DEPARTMENT
PO BOX 233
LYNDEN, WA 98264



200406220142
Skagit County Auditor

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FIRST AMERICAN TITLE CO.

81583

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200310060004

Additional on page _____

Grantor(s):

1. Loughlin, Richard D.B.
2. Loughlin, Linda

Grantee(s)

1. PEOPLES BANK

Legal Description: Section 10, Township 34, Range 4; ptn. SE 1/4 - NW 1/4

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Assessor's Tax Parcel ID#: 340410-2-010-0206 (P24475)

THIS MODIFICATION OF DEED OF TRUST dated June 21, 2004, is made and executed between Richard D.B. Loughlin and Linda Loughlin, husband and wife, whose address is 21338 Swan Road, Mount Vernon, WA 98273 ("Grantor") and PEOPLES BANK, MOUNT VERNON OFFICE, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender").

MODIFICATION OF DEED OF TRUST

Loan No: 5713379-1

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated October 3, 2003 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:
A DEED OF TRUST DATED OCTOBER 03, 2003 AND RECORDED OCTOBER 06, 2003 UNDER AUDITOR'S FILE NO. 200310060004 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:

Parcel "A":
That portion of the East 165 feet of the West 537 feet of the Southeast 1/4 of the Northwest 1/4 of Section 10, Township 34 North, Range 4 East, W.M., lying Southerly of the County Road, EXCEPT that portion thereof described as follows:
Beginning at a point 140 feet South of the Northernmost point of the West boundary of said property lying South of the County Road; thence South 140 feet along said boundary; thence 90 degrees East for a distance of 30 feet; thence North to the point of beginning.

Parcel "B":
That portion of the East 198 feet of the West 372 feet of the Southeast 1/4 of the Northwest 1/4 of Section 10, Township 34 North, Range 4 East, W.M., lying Southerly of the County Road, described as follows:
Beginning at a point 140 feet South of the Northernmost point of the East boundary of said property lying South of the County Road; thence North 140 feet along said Eastern boundary; thence 90 degrees West for a distance of 30 feet; thence South to the point of beginning.

Situate in Skagit County, Washington
The Real Property or its address is commonly known as 21338 Swan Road, Mount Vernon, WA 98273. The Real Property tax identification number is 340410-2-010-0206 (P24475)

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

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATE JUNE 21, 2004 FROM GRANTOR TO LENDER, TOGETHER WITH ALL RENEWALS OF, EXTENSIONS OF, MODIFICATIONS OF, REFINANCING OF, CONSOLIDATIONS OF, AND SUBSTITUTIONS FOR THE PROMISSORY NOTE OR AGREEMENT
INCREASE THE PRINCIPAL AMOUNT FROM \$38,000.00 TO \$175,000.00.

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 AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED JUNE 21, 2004.

GRANTOR:

x Richard D.B. Loughlin
Richard D.B. Loughlin

x Linda Loughlin
Linda Loughlin

LENDER:

PEOPLES BANK

x M. A. Loughlin
Authorized Officer



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MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5713379-1

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INDIVIDUAL ACKNOWLEDGMENT

STATE OF Wash

COUNTY OF Skagit

On this day before me, the undersigned Notary Public, personally appeared Richard D.B. Loughlin and Linda Loughlin, 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

day of

2004

By Melody A. Heide

Residing at 114 V...

Notary Public in and for the State of WA

My commission expires 4-30-05

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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