

RETURN ADDRESS:
First Heritage Bank
Loan Servicing Center
PO Box 970
Monroe, WA 98272



200410080139

Skagit County Auditor

10/8/2004 Page 1 of 3 3:16PM

LAND TITLE OF SKAGIT COUNTY
109910-P

MODIFICATION OF DEED OF TRUST

Reference # (if applicable):

200401140082

Additional on page _____

Grantor(s):

1. Stark, Michael

Grantee(s)

1. First Heritage Bank

Legal Description: Lot 9, Blk 5 & Lot 9, Blk 6, Lake Cavanaugh Div. 1

Additional on page _____

Assessor's Tax Parcel ID#: 3937-005-009-0002; 3937-006-009-0000

THIS MODIFICATION OF DEED OF TRUST dated October 6, 2004, is made and executed between Michael David Stark, who also appears of record as Michael D. Stark, his separate property, whose address is 626 May Creek Road, Gold Bar, WA 98251; ("Grantor") and First Heritage Bank, Monroe, PO Box 970, 19500 Highway 2, Monroe, WA 98272 ("Lender").

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 3134600026

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated January 9, 2004 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded January 14, 2004 under Skagit County Auditor's File Number 200401140082, Skagit County, Washington.

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

Lot 9, Block 5, and Lot 9, Block 6, "LAKE CAVANAUGH SUBDIVISION, DIVISION NO. 1," as per plat recorded in Volume 5 of Plats, pages 37 through 43, inclusive, records of Skagit County, Washington.

Situate in the County of Skagit, State of Washington.

The Real Property or its address is commonly known as 35025 North shore Dr., Mount Vernon, WA 98274. The Real Property tax identification number is 3937-005-009-0002; 3937-006-009-0000

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

Principal Increase of \$20,000.00.

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 hereby ratifies and affirms that Grantor's liability shall continue in full force and effect through and including the Note's now extended maturity date and that Grantor has no defenses, setoffs, or other claims against Lender arising out of this credit facility. If it is determined that any other person or entity other than Lender shall have a lien, encumbrance, or claim of any type which has a legal priority over any term of this Modification, the original terms of the Note and Mortgage shall be severable from this Modification and separately enforceable from the terms thereof as modified hereby in accordance with their original terms, and Lender shall maintain all legal or equitable priorities which were in existence before the date of execution of this Modification. It is understood by and is the intention of the parties hereto that any legal or equitable priorities of Lender over any party which were in existence before the date of execution of this Modification shall remain in effect after the execution of this Modification.

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 OCTOBER 6, 2004.

GRANTOR:

x Michael Stark
Michael Stark

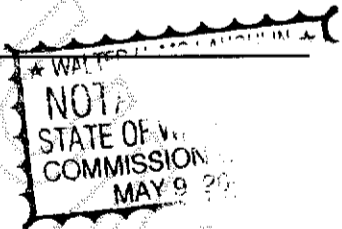
LENDER:

FIRST HERITAGE BANK

x Robert H. [Signature]
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

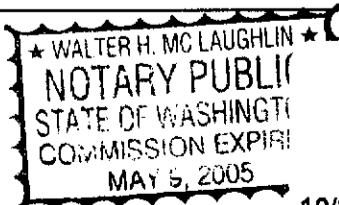
STATE OF Washington)
COUNTY OF Skagit) ss



On this day before me, the undersigned Notary Public, personally appeared **Michael Stark**, 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 7th day of October, 2004

By Robert H. [Signature] Residing at Marion, WA
Notary Public in and for the State of WA My commission expires 5/9/05



MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 3134600026

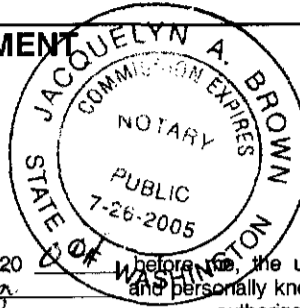
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LENDER ACKNOWLEDGMENT

STATE OF Washington

COUNTY OF Snohomish

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) SS
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On this 24th day of October, 2004, before me, the undersigned Notary Public, personally appeared Walter H. Mazurkiewicz and personally known to me or proved to me on the basis of satisfactory evidence to be the Sole, 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 Jacquelyn A. Brown
Notary Public in and for the State of WA

Residing at Island County
My commission expires 7-26-2005

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