

RETURN ADDRESS:

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



200601240082
Skagit County Auditor

1/24/2006 Page

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3 11:16AM

CHICAGO TITLE CO. *1C37715-SM*

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200412290166

Additional on page _____

Grantor(s):

1. Torheim, Arthur D
2. Torheim, Tonya M

Grantee(s)

1. PEOPLES BANK

Legal Description: Tract 12, SKAGIT COUNTY SHORT PLAT NO. 510-80; being ptn. W12
6-35-1 1

Additional on page 2

Assessor's Tax Parcel ID#: 351106-0-005-1102 P45781

THIS MODIFICATION OF DEED OF TRUST dated January 18, 2006, is made and executed between between Arthur D Torheim and Tonya M Torheim, husband and wife, whose address is 6248 Emerald Lane, Marblemount, WA 98267 ("Grantor") and PEOPLES BANK, whose address is MOUNT VERNON OFFICE, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender").

MODIFICATION OF DEED OF TRUST

Loan No: 5715182-1

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated December 29, 2004 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST DATED DECEMBER 29, 2004 AND RECORDED DECEMBER 29, 2004 UNDER AUDITOR'S FILE NO. 200412290166 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 12 of SKAGIT COUNTY SHORT PLAT NO. 510-80, as approved October 16, 1980, and recorded October 20, 1980, in Volume 4 of Short Plats, pages 190 and 191, under Auditor's File No. 8010200036, records of Skagit County, Washington; being a portion of the West Half of Section 6, Township 35 North, Range 11 East of the Willamette Meridian.

The Real Property or its address is commonly known as 6248 Emerald Lane, Marblemount, WA 98267. The Real Property tax identification number is 351106-0-005-1102 P45781.

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

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATE JANUARY 18, 2006 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 \$26,000.00 TO \$29,029.77.

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 makers, shall not be released by virtue of this 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 JANUARY 18, 2006. GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS.

GRANTOR:

Arthur D Torheim

Tonya M Torheim

LENDER:

PEOPLES BANK

X Mandy Attwood

Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF

Wash

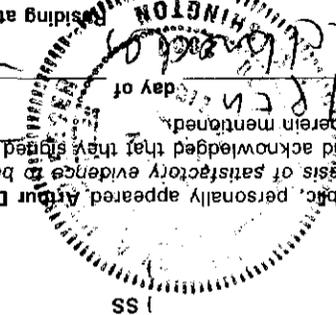
COUNTY OF

Skagit

On this day before me, the undersigned Notary Public, personally appeared, Arthur D Torheim and Tonya M Torheim, 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

Jan 18, 2006



Notary Public in and for the State of

Wash

My commission expires

1/30/07

Residing at

M + Veneta

Skagit County Auditor

200601240082



MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5715182-1

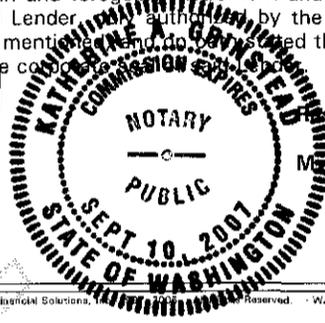
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LENDER ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF Skagit)

On this 18th day of Jan, 2006, before me, the undersigned Notary Public, personally appeared Melody Heidwater and personally known to me or proved to me on the basis of satisfactory evidence to be the person, 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, authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned and do hereby certify that he or she is authorized to execute this said instrument and that the seal affixed is the correct seal of the said Lender.

By Katherine A. Gristead residing at Everett WA
Notary Public in and for the State of WA My commission expires 9-18-07



LASER PRO Lending, Ver. 5.28.00 004 Copr. Harkins Electrical Solutions, Inc. WA P:\CFWIN\CFIL\PLIG202.FC TR\4119 PR-49



200601240082
Skagit County Auditor