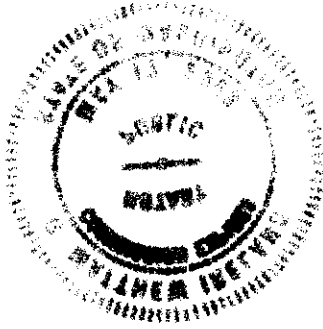


RETURN ADDRESS:

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



200604250125
Skagit County Auditor

4/25/2006 Page 1 of 3 3:08PM

CHICAGO TITLE COMPANY IC38669-SM

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200403250127

Additional on page _____

Grantor(s):

1. STINEMATES, JOHN M
2. STINEMATES, ROSEMARIE S

Grantee(s)

1. PEOPLES BANK

Legal Description: Ptn. Lots 18 and 19, CONN-LIND ADD.

Additional on page _____

Assessor's Tax Parcel ID#: 3884-000-019-0004

THIS MODIFICATION OF DEED OF TRUST dated April 25, 2006, is made and executed between between JOHN M STINEMATES and ROSEMARIE S STINEMATES, husband and wife ("Grantor") and PEOPLES BANK, whose address is EAST MOUNT VERNON OFFICE, PHONE: (360) 848-1833, 2601 EAST DIVISION STREET, MOUNT VERNON, WA 98273 ("Lender").

MODIFICATION OF DEED OF TRUST

Loan No: 5714197-1

(Continued)

Page 2

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated March 23, 2004 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST DATED MARCH 23, 2004 AND RECORDED MARCH 25, 2004 UNDER AUDITOR'S FILE NO. 200403250127 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:

The North 30 feet of Lot 18, and all of Lot 19, EXCEPT the North 20 feet thereof, CONN-LIND ADDITION, according to the plat thereof recorded in Volume 7 of Plats, page 25, records of Skagit County, Washington.

Situated in Skagit County, Washington

The Real Property or its address is commonly known as 15185 Sunset Lane, Mount Vernon, WA 98273. The Real Property tax identification number is 3884-000-019-0004.

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

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATED APRIL 25, 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

CHANGE THE PRINCIPAL AMOUNT FROM \$14,000.00 TO \$61,000.00.

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 APRIL 25, 2006.

GRANTOR:

X JOHN M STINEMATES

X ROSEMARIE S STINEMATES

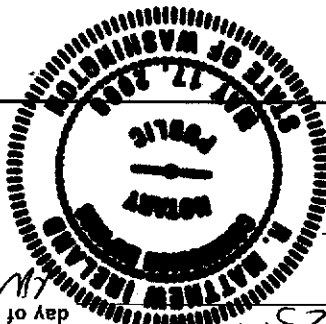
LENDER:

PEOPLES BANK
X Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington
COUNTY OF Skagit
)
) SS

On this day before me, the undersigned Notary Public, personally appeared JOHN M STINEMATES and ROSEMARIE S STINEMATES, 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 25th day of April, 2006.
Residing at Burlington
By R. Matthews
Notary Public in and for the State of WA
My commission expires 5-17-08



200604250125
Skagit County Auditor

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5714197-1

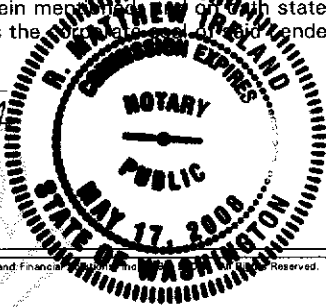
Page 3

LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this 25th day of April, 2006, before me, the undersigned Notary Public, personally appeared before me 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. He stated that he or she is authorized to execute this said instrument and that the seal affixed is the seal of the said Lender.

By R. Matthew S. S. S. Residing at Burlington
Notary Public in and for the State of WA My commission expires 5-17-08



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200604250125
Skagit County Auditor