

RETURN ADDRESS:

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



200605160130
Skagit County Auditor

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CHICAGO TITLE IC38915-SM

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200008030104

Additional on page ____

Grantor(s):

1. DAVIS, JOHN M
2. DAVIS, SHEILA M

Grantee(s)

1. PEOPLES BANK

Legal Description: Lot 7, DEER RIDGE

Additional on page ____

Assessor's Tax Parcel ID#: 4617-000-007-0006 P104710

THIS MODIFICATION OF DEED OF TRUST dated May 15, 2006, is made and executed between between JOHN M DAVIS and SHEILA M DAVIS, husband and wife, whose address is 2410 N 25TH PLACE, MOUNT VERNON, WA 98273 ("Grantor") and PEOPLES BANK, whose address is MOUNT VERNON OFFICE, PHONE: (360) 848-8872, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender").

MODIFICATION OF DEED OF TRUST

Loan No: 5715298-1

(Continued)

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated August 2, 2000 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST DATED AUGUST 02, 2000 AND RECORDED AUGUST 03, 2000 UNDER AUDITOR'S FILE NO. 200008030104 RECORDS OF WASHINGTON COUNTY, WASHINGTON.

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

Lot 7, DEER RIDGE ADDITION, according to the plat thereof, recorded in Volume 15 of Plats, pages 123 and 124, records of Skagit County, Washington.

Situated in Skagit County, Washington.

The Real Property or its address is commonly known as 2410 N 25th Place, Mount Vernon, WA 98273. The Real Property tax identification number is 4617-000-007-0006 P104710.

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

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATE MAY 15, 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 \$15,000.00 TO \$55,000.00.

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 makers, 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 MAY 15, 2006.

GRANTOR:

X JOHN M DAVIS

X SHEILA M DAVIS

LENDER:

PEOPLES BANK

X Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF

COUNTY OF

)
) SS
)

On this day before me, the undersigned Notary Public, personally appeared JOHN M DAVIS and SHEILA M DAVIS, personally known to me and 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 _____, 2006.

By _____
Residing at _____
My commission expires _____

MODIFICATION OF DEED OF TRUST
(Continued)

LENDER ACKNOWLEDGMENT

STATE OF

WA

COUNTY OF

Skagit

On this 15th day of May, 20 06, 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 Lender, 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

Mary Ann Fenimore

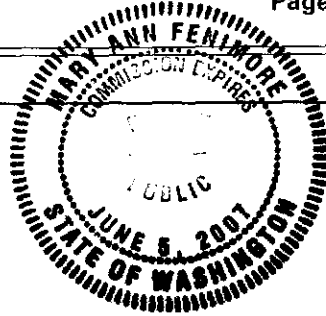
Notary Public in and for the State of

WA

Residing at

MTU Fenimore

My commission expires

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