

RETURN ADDRESS:

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



200606050089
Skagit County Auditor

6/5/2006 Page 1 of 3 11:18AM

CHICAGO TITLE IC39146

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200203270094

Additional on page _____

Grantor(s):

1. SCOTT, KENNETH L
2. SCOTT, KERRI M

Grantee(s)

1. PEOPLES BANK

Legal Description: Ptn. Lots 13 and 15, all of Lot 14, Blk. 14, VERNON HEIGHTS SECOND
ADD. TO MT. VERNON

Additional on page 2

Assessor's Tax Parcel ID#: 3764-014-015-0004 P54650

THIS MODIFICATION OF DEED OF TRUST dated June 1, 2006, is made and executed between between KENNETH L SCOTT, and KERRI M SCOTT, husband and wife, whose address is 211 NORTH 8TH STREET , 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: 5022287-102

(Continued)

Page 2

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated March 22, 2002 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST RECORDED MARCH 27, 2002 UNDER AUDITOR'S FILE NO. 200203270094 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 10 feet of Lot 13, All of Lot 14, and the South 15 feet of Lot 15, Block 14, VERNON HEIGHTS SECOND ADDITION TO MT. VERNON, according to the plat thereof recorded in Volume 3 of Plats, page 62, records of Skagit County, Washington

Situated in Skagit County, Washington

The Real Property or its address is commonly known as 211 North 8th Street, Mount Vernon, WA 98273. The Real Property tax identification number is 3764-014-015-0004 P54650.

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

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATE JUNE 1, 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 \$31,000.00 TO \$60,000.00.

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 AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED JUNE 1, 2006.

GRANTOR:

Kenneth L. Scott X
KENNETH L. SCOTT

Kerri M. Scott X
KERRI M. SCOTT

LENDER:

PEOPLES BANK

M. de C. Cullubera X
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF

Wash.
COUNTY OF

Skagit
)
) SS
)

On this day before me, the undersigned Notary Public, 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
June 1 day of
2006

Residing at

Mt Vernon
WA 98273
My commission expires

MODIFICATION OF DEED OF TRUST
(Continued)

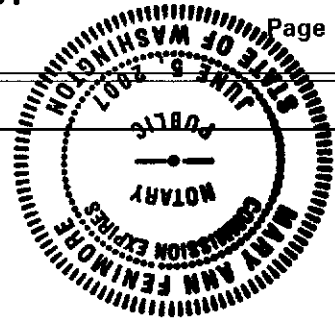
Loan No: 5022287-102

Page 3

LENDER ACKNOWLEDGMENT

STATE OF WA

COUNTY OF Skagit



On this 1 day of June, 20 06, before me, the undersigned Notary Public, personally appeared Melody Herabeder 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 Mary Ann Fenimore
Notary Public in and for the State of WA

Residing at Mt Vernon
My commission expires 06/05/2007

