

RETURN ADDRESS:

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



200609050134

Skagit County Auditor

9/5/2006 Page

1 of

3 11:22AM

CHICAGO TITLE IC40066

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200209100179

Additional on page ____

Grantor(s):

1. SANFORD, KIMBERLY R
2. SANFORD, DANNY JOE

Grantee(s)

1. PEOPLES BANK

Legal Description: Tr 10, PLAT OF SKAGIT SUNSET DIVISION NO 1

Additional on page 2

Assessor's Tax Parcel ID#: 4653-000-010-0000 P108084

THIS MODIFICATION OF DEED OF TRUST dated September 1, 2006, is made and executed between between DANNY JOE SANFORD AND KIMBERLY R SANFORD, who is also shown of record as KIMBERLY HAMBURG-SANFORD, husband and wife, whose address is 37938 THEO LANE , CONCRETE, WA 98237 ("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: 5715378-1

(Continued)

Page 2

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated September 6, 2002 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST DATED SEPTEMBER 6, 2002 AND RECORDED SEPTEMBER 10, 2002 UNDER AUDITOR'S FILE NO. 200209100179 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 10, of PLAT OF SKAGIT SUNSET DIVISION NO. 1, as per plat recorded in Volume 16 of Plats, Pages 49 and 50, records of Skagit County, Washington

The Real Property or its address is commonly known as 37938 Theo Lane, Mount Vernon, WA 98237. The Real Property tax identification number is 4653-000-010-0000 P108084.

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

THE WORD "NOTE" MEAN THE PROMISSORY NOTE DATED SEPTEMBER 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 \$50,000.00 TO \$350,000.00.

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 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 SEPTEMBER 1, 2006.

GRANTOR:

Kim Sanford
KIMBERLY R SANFORD
Danny Joe Sanford
DANNY JOE SANFORD

LENDER:

Bank of America
PEOPLES BANK
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT



STATE OF WASH

COUNTY OF Skagit

On this day before me, the undersigned Notary Public, personally appeared KIMBERLY R SANFORD and DANNY JOE SANFORD, 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 1st day of Sept, 2006.

Residing at Mount Vernon

My commission expires 11-15-07

Notary Public in and for the State of WA

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5715378-1

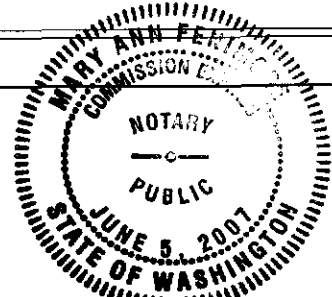
Page 3

LENDER ACKNOWLEDGMENT

STATE OF WASH

COUNTY OF Skagit

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On this 15th day of Sept, 2006, before me, the undersigned Notary Public, personally appeared Barbara Lowrey and personally known to me or proved to me on the basis of satisfactory evidence to be the Barbara Lowrey, 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 W+Vernon
My commission expires 06/05/2007



200609050134
Skagit County Auditor