

RETURN ADDRESS:

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



200702090054
Skagit County Auditor

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CHICAGO TITLE COMPANY
IC41456-SM

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200505100086

Additional on page _____

Grantor(s):

1. PHIPPEN, E BRIGITTE
2. PHIPPEN, DARRYL R

Grantee(s)

1. PEOPLES BANK

Legal Description: Lot 5, Horizon Division II

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Assessor's Tax Parcel ID#: 4470-000-005-000^B P83103

THIS MODIFICATION OF DEED OF TRUST dated February 8, 2007, is made and executed between between E BRIGITTE PHIPPEN and DARRYL R PHIPPEN, wife and husband, whose address is 18779 W BIG LAKE BLVD, MOUNT VERNON, WA 98274 ("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: 5033203-102

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated May 9, 2005 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST DATED MAY 9, 2005 AND RECORDED MAY 10, 2005 UNDER AUDITOR'S FILE NO. 299502100088 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:

Lot 5, HORIZON DIVISION 11, according to the plat thereof, recorded in Volume 14 of Plats, page 1, records of Skagit County, Washington.

Situated in Skagit County, Washington
The Real Property or its address is commonly known as 1505 Sunset Place, Mount Vernon, WA 98273. The Real Property tax identification number is 4470-000-005-0008 P83103.

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

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATE FEBRUARY 8, 2007 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 \$53,256.09 TO \$100,000.00.

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 FEBRUARY 8, 2007.

GRANTOR:

X E. Brigitte Phippen
E BRIGITTE PHIPPEN

X Darryl R Phippen
DARRYL R PHIPPEN

LENDER:

PEOPLES BANK

X Shirley G. Heddinger
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF

Washington

COUNTY OF

Sitka

On this day before me, the undersigned Notary Public, personally known to me or upon the basis of satisfactory evidence to be the individuals described as PHIPPEN, personally known to me or upon the basis of satisfactory evidence that they signed the Modification as their free and voluntary act and deed, for the use and purpose therein mentioned.

Given under my hand and official seal this _____ day of _____, 2007.

By Shirley G. Heddinger
Notary Public in and for the State of Washington

Residing at Mount Vernon

My commission expires 1/30/07

) SS

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MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5033203-102

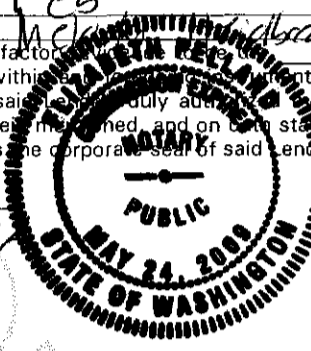
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LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this 8 day of Feb, 20 07, before me, the undersigned Notary Public, personally appeared Melvin R. ... and personally known to me or proved to me on the basis of satisfactory information to be the authorized agent for the Lender that executed the within instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender and acknowledged the Lender through its board of directors or otherwise, for the uses and purposes therein contained, and on 07/08/07 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 Thy... pulled Residing at Mount Vernon
Notary Public in and for the State of WA My commission expires May 24, 2009



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