

RETURN ADDRESS:

American Marine Bank
Real Estate Loan
Department
P. O. Box 10788
Bainbridge Island, WA
98110



200708270086
Skagit County Auditor
8/27/2007 Page 1 of 3 11:14AM

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 9098023698 1200701190074 Additional on page ____

Grantor(s):

1. Schaefer, Mary Alice
2. Schaefer, Clark E.

CHICAGO TITLE CO.
1C40961

Grantee(s)

1. American Marine Bank

Legal Description: Ptn Lots 104 & 105, Blk. 1, LAKE CAVANAUGH SUB. DIV. NO. 3
Additional on page 3

Assessor's Tax Parcel ID#: 3939-001-105-0101

THIS MODIFICATION OF DEED OF TRUST dated August 1, 2007, is made and executed between Clark E. Schaefer, also shown of record as Clark Edward Schaefer and Mary Alice Schaefer, husband and wife, as to Parcel A and Clark Schaefer, as his separate estate, as to Parcel B. ("Grantor") and American Marine Bank, whose address is Real Estate Loan Department, P. O. Box 10788, Bainbridge Island, WA 98110 ("Lender").

MODIFICATION OF DEED OF TRUST
(Continued)

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated January 5, 2007 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Original Deed of Trust recorded January 19, 2007 under recording number 200701190074.

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

See See Exhibit "A" attached hereto and made a part hereof, which is attached to this Modification and made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as 33072 W. Shore Drive, Mount Vernon, WA 98274. The Real Property tax identification number is 3939-001-105-0101.

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

To add additional funds in the amount of \$24,000.00 to complete construction. New Principal Loan Amount to be \$792,000.00.

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 endorers 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 AUGUST 1, 2007.

GRANTOR:

X Mary Alice Schaefer
Mary Alice Schaefer

X Clark E. Schaefer
Clark E. Schaefer

LENDER:

AMERICAN MARINE BANK

X Susan L. Heerlyn
Authorized Officer



INDIVIDUAL ACKNOWLEDGMENT

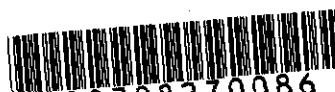
STATE OF Washington)
) SS
COUNTY OF King)

On this day before me, the undersigned Notary Public, personally appeared **Mary Alice Schaefer and Clark E. Schaefer, husband and wife**, 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 23 day of August, 2007

By Susan L. Heerlyn
Notary Public in and for the State of WA

Residing at Seattle
My commission expires 12-19-09



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EXHIBIT "A"

PARCEL A:

That portion of Lot 105, Block 1, LAKE CAVANAUGH SUBDIVISION, DIVISION NO. 3, according to the plat thereof recorded in Volume 6 of Plats, pages 25 to 31, inclusive, records of Skagit County, Washington, described as follows:

Beginning at a point on the Northwestern line of said Lot 105, located 30.00 feet Northeasterly of the most Westerly corner of said Lot;
Thence 30.00 feet Southwesterly along the Northwestern line of said Lot to the most Westerly corner of said Lot 105;
Thence South 60°40'00" East along the Southwesterly line of said Lot for a distance of 226.32 (shown as 226.30 feet on said Plat) feet, more or less, to the most Southerly corner of said Lot;
Thence North 42°47'00" East along the Southeasterly line of said Lot, 60.00 feet;
Thence Northwesternly in a straight line to the point of beginning.

Situated in Skagit County, Washington

PARCEL B:

That portion of Lot 104, Block 1, LAKE CAVANAUGH SUBDIVISION, DIVISION NO. 3, according to the plat thereof recorded in Volume 6 of Plats, page 25 to 31, inclusive, records of Skagit County, Washington, being more particularly described as follows:

Beginning at the Northerly most corner of said Lot 104;
Thence South 29°56'00" West along the Northwestern line thereof, also being the Southeasterly right-of-way margin of Deer Park Lane, for a distance of 4.50 feet;
Thence South 61°12'21" East for a distance of 226.36 feet, more or less, to the Easterly most corner of said Lot 104, common to said Lot 105, at a point bearing South 60°04'00" East from the point of beginning;
Thence North 60°04'00" West along the line common to said Lots 104 and 105 for a distance of 226.32 (shown as 226.30 feet on the recorded Plat) feet, more or less, to the point of beginning.

Situated in Skagit County, Washington

- END OF EXHIBIT "A" -



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