

RETURN ADDRESS:

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



200708300071
Skagit County Auditor

8/30/2007 Page 1 of 3 11:23AM

LAND FILE OF SKAGIT COUNTY

127128-05

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200210100003

Additional on page _____

Grantor(s):

1. WILSON, WOLFE
2. WILSON, CAROL ANNE

Grantee(s)

1. PEOPLES BANK

Legal Description: Lots 15 & 16, Blk. 9, Bowman's Central Ship Harbor

Additional on page _____

Assessor's Tax Parcel ID#: 3776-009-016-0009 P56813

THIS MODIFICATION OF DEED OF TRUST dated August 29, 2007, is made and executed between WOLFE T. WILSON and CAROL A. WILSON, who also appear of record as WOLFE WILSON and CAROL ANNE WILSON, husband and wife, WHOSE ADDRESS IS 802 6TH STREET, ANACORTES, WA 98221 ("Grantor") and PEOPLES BANK, whose address is ANACORTES OFFICE, PHONE: (360) 588-0153, 911 11th STREET, ANACORTES, WA 98221 ("Lender").

MODIFICATION OF DEED OF TRUST

Loan No: 5715633-1

(Continued)

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated October 4, 2002 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

A DEED OF TRUST DATED OCTOBER 4, 2002 AND RECORDED OCTOBER 10, 2002 UNDER AUDITOR'S FILE NO. 20021010003 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:

Lots 15 and 16, Block 9, "BOWMAN'S CENTRAL SHIP HARBOR WATER FRONT PLAT OF ANACORTES, SKAGIT CO., WASHINGTON," as per plat recorded in Volume 2 of Plats, page 33, records of Skagit County, Washington.

Situate in the City of Anacortes, County of Skagit, State of Washington

The Real Property or its address is commonly known as 802 6th Street, Anacortes, WA 98221. The Real Property tax identification number is 3776-009-016-0009 P56813.

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

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATE AUGUST 29, 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 \$40,000.00 TO \$150,000.00.

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 AUGUST 29, 2007.

GRANTOR:

X WOLFE WILSON

X CAROL ANNE WILSON

LENDER:

PEOPLES BANK

X Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington

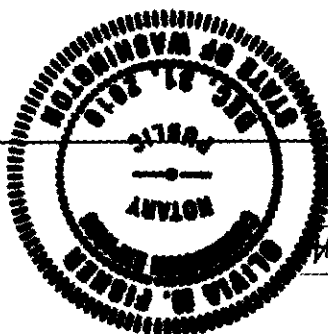
COUNTY OF Skagit

On this day before me, the undersigned Notary Public, personally appeared WOLFE WILSON and CAROL ANNE WILSON, 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 29th day of August, 2007

Residing at Anacortes

My commission expires 12/31/10



MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5715633-1

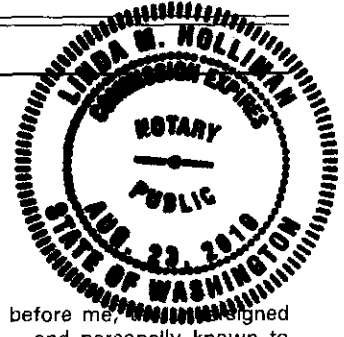
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LENDER ACKNOWLEDGMENT

STATE OF WA

COUNTY OF Skagit

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On this 29th day of August, 20 07, before me, Linda M. Holliman, Notary Public, personally appeared Olive Fisher and personally known to me or proved to me on the basis of satisfactory evidence to be the Financial Service Rep III 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 Linda M. Holliman
Notary Public in and for the State of WA

Residing at La Conner
My commission expires 8-23-2010

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Skagit County Auditor