

RETURN ADDRESS:

Skagit State Bank
Main Office
301 E. Fairhaven Ave
P O Box 285
Burlington, WA 98233



200712110062
Skagit County Auditor

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LAND TITLE OF SKAGIT COUNTY

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 126813-SS/Rec #200708060184

Additional on page ____

Grantor(s):

1. BACHMANN, LINDA R

Grantee(s)

1. Skagit State Bank

Legal Description:

Ptn Lots 15 & 16, Blk. 4, Hayton's Add. to Mt. Vernon

Additional on page 2

Assessor's Tax Parcel ID#: P53068

THIS MODIFICATION OF DEED OF TRUST dated December 6, 2007, is made and executed between LINDA R BACHMANN, an unmarried individual as her separate estate, whose address is 111 N 10TH ST, MOUNT VERNON, WA 98273-3328 ("Grantor") and Skagit State Bank, whose address is Main Office, 301 E. Fairhaven Ave, P O Box 285, Burlington, WA 98233 ("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 July 30, 2007 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Deed of Trust dated July 30, 2007 and recorded August 6, 2007 under Auditor's File Number 200708060184.

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

The North 53 feet of Lots 15 and 16, Block 4, "HAYTON'S ADDITION TO MT. VERNON, WASH.," per plat recorded in Volume 3 of Plats, page 85, records of Skagit County, Washington.

Situate in the City of Mount Vernon, County of Skagit, State of Washington

The Real Property or its address is commonly known as 111 North 10th St, Mount Vernon, WA 98273-3813. The Real Property tax identification number is P53068.

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

The above Deed of Trust dated July 30, 2007 in the original amount of \$40,000.00, executed by Linda R Bachmann is being modified to secure a Promissory Note dated December 6, 2007 with the borrowers name being "My Favorite Things, Inc.," and a maximum amount of \$40,000.00.

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 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 DECEMBER 6, 2007.

GRANTOR:

x L.R. Bachmann
LINDA R BACHMANN

LENDER:

SKAGIT STATE BANK

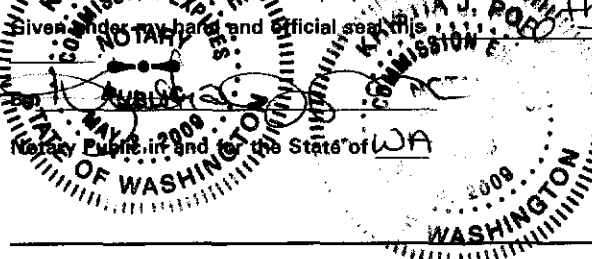
x [Signature]
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington
COUNTY OF Skagit

)
) SS
)

On this day before me, the undersigned Notary Public, personally appeared **LINDA R BACHMANN**, personally known to me on the basis of satisfactory evidence to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed for the uses and purposes therein mentioned.



day of December, 2007

Residing at Burlington WA

My commission expires May 3, 2009



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MODIFICATION OF DEED OF TRUST
(Continued)

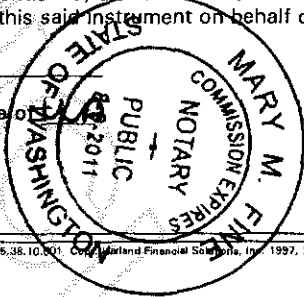
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LENDER ACKNOWLEDGMENT

STATE OF WA)
) SS
COUNTY OF Skagit)

On this 6 day of Dec, 20 07, before me, the undersigned Notary Public, personally appeared Krista Pope and personally known to me or proved to me on the basis of satisfactory evidence to be the Authorized Off. for, authorized agent for Skagit State Bank that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Skagit State Bank, duly authorized by Skagit State Bank 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 in fact executed this said instrument on behalf of Skagit State Bank.

By Mary Fin Residing at Sedro Woolly
Notary Public in and for the State of WA My commission expires 8.9.11



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