

RETURN ADDRESS:

Frontier Bank
Mount Vernon
119 E College Way
PO Box 1124
Mount Vernon, WA
98273



200808260094
Skagit County Auditor

8/26/2008 Page 1 of 3 1:39PM

MODIFICATION OF MORTGAGE

Reference # (if applicable): MTVE XX-3015 ORIGINAL AF#200108030140, MOD. UNDER AF#200608310005

Additional on page ____

Grantor(s):

1. JENSEN, VICTOR
2. JENSEN, JUDY

GUARDIAN NORTHWEST TITLE CO.
95436

Grantee(s)

1. Frontier Bank

Legal Description: PTN W1/4 NW 1/4, 15-35-3 E W.M.

Additional on page 2

Assessor's Tax Parcel ID#: 350315-2-003-0002, 350315-2-004-0001, AND
350315-2-005-0000

THIS MODIFICATION OF MORTGAGE dated August 18, 2008, is made and executed between VICTOR R. JENSEN & JUDITH H. JENSEN, WHO ALSO APPEARS FOR THE RECORD AS JUDY H. JENSEN, HUSBAND AND WIFE, whose mailing address is 14127 CHURCH ROAD, BOW, WA 98232 (referred to below as "Grantor") and Frontier Bank, whose mailing address is 119 E College Way, PO Box 1124, Mount Vernon, WA 98273 (referred to below as "Lender").

**MODIFICATION OF MORTGAGE
(Continued)**

Page 2

MORTGAGE. Lender and Grantor have entered into a Mortgage dated July 26, 2001 (the "Mortgage") which has been recorded in SKAGIT County, State of Washington, as follows:

RECORDED ON AUGUST 3, 2001 BY LAND TITLE COMPANY OF SKAGIT COUNTY, STATE OF WASHINGTON UNDER AUDITOR'S FILE NO. 200108030140 AND MODIFIED ON AUGUST 31, 2006 BY LAND TITLE COMPANY OF SKAGIT COUNTY, STATE OF WASHINGTON UNDER AUDITOR'S FILE NO. 200608310005.

REAL PROPERTY DESCRIPTION. The Mortgage covers the following described real property located in SKAGIT County, State of Washington:

THAT PORTION OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 AND OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 15, TOWNSHIP 35 NORTH, RANGE 3 EAST, W.M., LYING NORTH OF THE SAMISH RIVER,

EXCEPT FOR COUNTY ROADS,

ALSO EXCEPT THE FOLLOWING DESCRIBED TRACTS:

(1) THAT PORTION OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 LYING SOUTH OF A LINE 2,340 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF SAID SUBDIVISION.

(2) THE NORTH 228.28 FEET OF THE EAST 209.00 FEET OF THE WEST 620.00 FEET OF THE NORTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 15, TOWNSHIP 35 NORTH, RANGE 3, EAST W.M.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

The Real Property or its address is commonly known as 15014 FIELD ROAD, BOW, WA 98232. The Real Property tax identification number is 350315-2-003-0002, 350315-2-004-0001, AND 350315-2-005-0000.

MODIFICATION. Lender and Grantor hereby modify the Mortgage as follows:

THIS REPRESENTS A CURRENT LEGAL DESCRIPTION, THE ELIMINATION OF THE CROSS-COLLATERALIZATION PARAGRAPH, AND THE ADDITION OF THE FOLLOWING PARAGRAPHS:

UCC Granted by Victor and Judy Jensen and Vic Jensen & Sons, Inc.

All equipment, machinery, appliances, and tools which are part of the dairy facility including without limitation: Milking Stalls, milking units with claws, auto take-offs, milk pipeline, milk receivers and filter, bulk tank and refrigeration units, heat exchange, hot water tanks, vacuum pumps and lines, back flush system, all pumps and motors used in milking systems, electrical units, portable generator, crowd gates, and feed system. Also together with all property and good similar to those described herein which at any time may be acquired by debtors (s), including, but not limited to all additions, replacements, substitutions and accessions thereof.

All Equipment, machinery, appliances, and tools which are a part of the barn flush system and manure separating system including without limitation all pumps, motors, flow meters, electrical systems, gates, manure separator, conveyor and pipelines. Also, together with all property and goods similar to those described herein which at any time may be acquired by debtors, including, but not limited to all additions, replacements, substitutions, and accessions thereof.


All irrigation pumps, motors, mainline, and fixtures. Also, together with all property and goods similar to those described herein which at any time may be acquired by debtors, including, but not limited to all additions, replacements, substitutions, and accessions thereof.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Mortgage shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Mortgage 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 Mortgage (the "Note"). It is the intention of Lender to retain as liable all parties to the Mortgage and all parties, makers and endorsers 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 Mortgage 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 MORTGAGE AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF MORTGAGE IS DATED AUGUST 18, 2008.

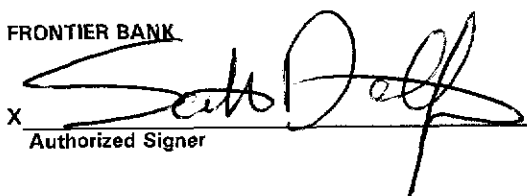
GRANTOR:

x 
VICTOR JENSEN

x 
JUDY JENSEN

LENDER:

FRONTIER BANK

x 
Authorized Signer



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8/26/2008 Page 2 of 3 1:39PM

MODIFICATION OF MORTGAGE
(Continued)

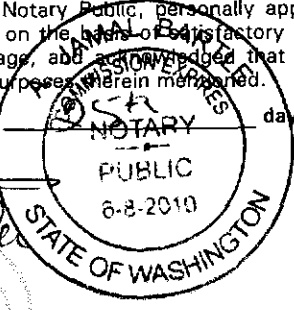
INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this day before me, the undersigned Notary Public, personally appeared **VICTOR JENSEN and JUDY JENSEN**, 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 Mortgage, 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 25th day of August, 2008

By [Signature] Residing at Shawwood
Notary Public in and for the State of WA My commission expires 6/8/10

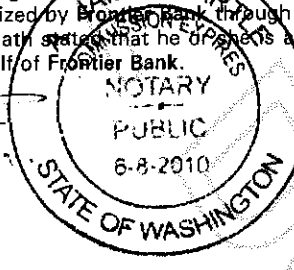


LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this 25th day of August, 2008, before me, the undersigned Notary Public, personally appeared Scott J. Jensen and personally known to me or proved to me on the basis of satisfactory evidence to be the authorized agent for Frontier Bank that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Frontier Bank, duly authorized by Frontier 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 Frontier Bank.

By [Signature] Residing at Shawwood
Notary Public in and for the State of WA My commission expires 6/8/10



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