

RETURN ADDRESS:
FOUNDATION BANK
1110 112th Avenue NE,
Suite 200
Bellevue, WA 98004



200912170064
Skagit County Auditor

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LAND TITLE OF SKAGIT COUNTY

M-18212

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200811030127

Additional on page _____

Grantor(s):

1. Niles, Robert

Grantee(s)

1. FOUNDATION BANK

Legal Description: LOTS 15, 16, 50 & 51, HOLIDAY HIDEAWAY #1

Additional on page 2

Assessor's Tax Parcel ID#: 3926-003-015-0002, 3926-003-016-0001, 3926-003-050-0008,
3926-003-051-0007

THIS MODIFICATION OF DEED OF TRUST dated November 17, 2009, is made and executed between Robert Niles, as his separate estate, whose address is 23021 19th Ave. S, Des Moines, WA 98198 ("Grantor") and FOUNDATION BANK, whose address is Main Office, 1110 - 112th Avenue NE, Suite 200, Bellevue, WA 98004 ("Lender").

**MODIFICATION OF DEED OF TRUST
(Continued)**

Loan No: 170001458

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated October 17, 2008 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded on November 3, 2008, Number 200811030127, Skagit County, WA .

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

LOTS 15, 16, 50 AND 51, BLOCK 3, "HOLIDAY HIDEAWAY NO. 1" AS PER PLAT RECORDED IN VOLUME 8 OF PLATS, PAGES 36 THROUGH 42, INCLUSIVE, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

The Real Property or its address is commonly known as 7286 Holiday Blvd., Anacortes, WA 98221. The Real Property tax identification number is 3926-003-015-0002, 3926-003-016-0001, 3926-003-050-0008, 3926-003-051-0007.

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

Borrower has executed a Promissory Note dated October 17, 2008, in the original principal amount of \$652,627.00 which is currently secured by the Deed of Trust dated October 17, 2008. The Promissory Note has been subsequently modified on November 14, 2008. The Promissory Note has an outstanding principal balance of \$592,800.20.

Borrower and Lender agree to modify the Note to consolidate Revolving Line of credit and Term loan into one term loan with an increased principal amount of \$687,361.40 which include paying off of a Revolving Line of Credit in the amount of \$100,000.00.

Therefore the Deed of Trust is modified as follows:

Note: the word "Note" means the Promissory Note dated November 17, 2009 in the original principal amount of \$687,361.40 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the Promissory Note or Credit Agreement.

Borrower acknowledges that the Promissory Note dated November 17, 2009 evidences a continuing obligation and is not in satisfaction of the indebtedness evidenced by the October 17, 2008 Promissory Note.

Grantors acknowledge that the full principal amount of \$687,361.40 plus all accrued unpaid interest as evidenced by the Note dated November 17, 2008 is now included in the indebtedness (as that term is defined in the Deed of Trust) and, as such is secured by the Deed of Trust.

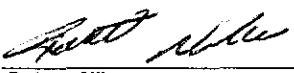
CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust as changed above nor obligate Lender 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 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 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.

NOTICE OF FINAL AGREEMENT. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

COUNTERPARTS. This document may be executed in any number of counterparts, when delivered to Lender, shall be deemed an original and will constitute one and the same instrument.

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 NOVEMBER 17, 2009.

GRANTOR:

X 
Robert Niles

LENDER:

FOUNDATION BANK

X 
Jane M. Pekasky, Vice President



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MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 170001458

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INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF King)

On this day before me, the undersigned Notary Public, personally appeared **Robert Niles**, personally known to me or proved 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.

Given under my hand and official seal this 2nd day of December, 2009

By Cynthia J. Brock
Notary Public in and for the State of WA

Residing at Kent
My commission expires 3-19-12

Cynthia J Brock

LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF King)

On this 16th day of December, 2009, before me, the undersigned Notary Public, personally appeared **Jane M. Pekasky** and personally known to me or proved to me on the basis of satisfactory evidence to be the Vice President, authorized agent for **FOUNDATION BANK** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **FOUNDATION BANK**, duly authorized by **FOUNDATION 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 **FOUNDATION BANK**.

By Maurine L. Burris
MAURINE L. BURRIS
Notary Public in and for the State of WA

Residing at Edmonds Wa
My commission expires 2/23/2010

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