

RETURN ADDRESS:
PEOPLES BANK
DOWNTOWN
BELLINGHAM OFFICE
1333 CORNWALL AVENUE
BELLINGHAM, WA 98225



200303060090
Skagit County Auditor

3/6/2003 Page 1 of 3 11:07AM

FIRST AMERICAN TITLE CO.

B61542-1

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200004260014 Additional on page _____

Grantor(s):
1. SALEM VILLAGE

Grantee(s)
1. PEOPLES BANK

Legal Description: SECTION 8, TOWNSHIP 34, RANGE 4; PTN SE-SE; PTN LOT 3, SHORT
PLAT #MV-8-94 Additional on page 2

Assessor's Tax Parcel ID#: 340408-0-013-0200 (R111843) AND 340408-0-013-0400 (R112213)

THIS MODIFICATION OF DEED OF TRUST dated March 1, 2003, is made and executed between SALEM VILLAGE, A WASHINGTON NON-PROFIT CORPORATION, whose mailing address is PO BOX 2116 MT VERNON, WA 98273 ("Grantor") and PEOPLES BANK, DOWNTOWN BELLINGHAM OFFICE, 1333 CORNWALL AVENUE, BELLINGHAM, WA 98225 ("Lender").

MODIFICATION OF DEED OF TRUST

Loan No: 5016051-202

Page 2

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated March 29, 2000 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded April 26, 2000 under recording no. 200004260014 in records of Skagit County, WA .

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

LOT 3 OF MOUNT VERNON SHORT PLAT NO. MV-8-94, APPROVED JULY 1, 1997 AND RECORDED JULY 1, 1997 UNDER AUDITOR'S FILE NO. 9707010107 IN VOLUME 13 OF SHORT PLATS, PAGE 18, RECORDS OF SKAGIT COUNTY, WASHINGTON, EXCEPT THAT PORTION DESCRIBED AS FOLLOWS:

WEST LINE OF SAID LOT 2, ALSO BEING THE EAST LINE OF SAID LOT 3, A DISTANCE OF 229.71 FEET TO THE WEST LINE OF SAID LOT 2, THENCE NORTH 87 DEGREES 57' 29" WEST, ALONG THE NORTH LINE OF SOUTH WEST CORNER OF SAID LOT 2, THENCE NORTH 87 DEGREES 57' 29" WEST, ALONG THE NORTH LINE OF OF A 60 FOOT WIDE UTILITY AND ACCESS EASEMENT AS SHOWN ON SAID SHORT PLAT, 53.64 FEET; THENCE NORTH 0 DEGREES 11' 21" EAST 64.17 FEET TO THE BEGINNING OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 88.00; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 21 DEGREES 40' 05", AN ARC DISTANCE OF 33.28 FEET; THENCE NORTH 21 DEGREES 51' 26" EAST, 117.03 FEET TO THE BEGINNING OF A CURVE TO THE LEFT, HAVING A RADIUS OF 50.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE TO THE WEST, THROUGH A CENTRAL ANGLE OF 21 DEGREES 40' 05", AN ARC DISTANCE OF 18.91 FEET; THENCE NORTH 0 DEGREES 11' 21" EAST, 4.11 FEET TO A POINT WHICH LIES NORTH 87 DEGREES 57' 29" WEST FROM SAID NORTHWEST CORNER OF LOT 2; THENCE SOUTH 87 DEGREES 57' 29" EAST, 0.64 FEET TO THE POINT OF BEGINNING.

SITUATED IN THE STATE OF WASHINGTON, COUNTY OF SKAGIT

The Real Property or its address is commonly known as 26254 N LAVENTURE RD, MOUNT VERNON, WA 98273. The Real Property tax identification number is 340408-0-013-0200 (R111843) AND 340408-0-013-0400 (R112213)

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

THIS MODIFICATION OF DEED OF TRUST AMENDS THE DEED OF TRUST DATED MARCH 29, 2000 WITH THE FOLLOWING AMENDMENTS:

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATED MARCH 1, 2003 FROM GRANTOR TO LENDER, TOGETHER WITH ALL RENEWALS OF, EXTENSIONS OF, MODIFICATIONS OF, REFINANCINGS OF, CONSOLIDATIONS OF, AND SUBSTITUTIONS FOR THE PROMISSORY NOTE OR AGREEMENT.

THE PRINCIPAL AMOUNT IS \$1,211,895.02 WHICH INCLUDES A NEW ADVANCE OF \$985.02.

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 ("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.

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 MARCH 1, 2003.

GRANTOR:

SALEM VILLAGE

BY: 
DAN MITTELZEL, PRESIDENT OF SALEM VILLAGE

BY: 
GENE VAN SELUS, TREASURER OF SALEM VILLAGE

LENDER:

X 
Authorized Officer



200303060090
Skagit County Auditor

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5016051-202

Page 3

CORPORATE ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)



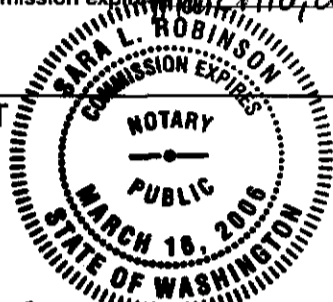
On this 4 day of March, 20 03, before me, the undersigned Notary Public, personally appeared **DAN MITZEL, PRESIDENT of SALEM VILLAGE** and **GENE VAN SELUS, TREASURER of SALEM VILLAGE**, and personally known to me or proved to me on the basis of satisfactory evidence to be authorized agents of the corporation that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By Sara L. Robinson
Notary Public in and for the State of WA

Residing at Sedro Woolley WA
My commission expires March 16, 2006

LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)



On this 4 day of March, 20 03, before me, the undersigned Notary Public, personally appeared James Candermy and personally known to me or proved to me on the basis of satisfactory evidence to be the Skagit Vice President, 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 Sara L. Robinson
Notary Public in and for the State of WA

Residing at Sedro Woolley WA
My commission expires March 16, 2006



200303060090
Skagit County Auditor