

**RETURN ADDRESS:**  
PEOPLES BANK  
MOUNT VERNON OFFICE  
1801 RIVERSIDE DRIVE  
MOUNT VERNON, WA  
98273



200308060134  
Skagit County Auditor

8/6/2003 Page 1 of 3 3:29PM

LAND TITLE COMPANY OF SKAGIT COUNTY

99826

## MODIFICATION OF DEED OF TRUST

Reference # (if applicable): \_\_\_\_\_

Additional on page \_\_\_\_\_

Grantor(s):

1. LRW PROPERTIES, L.L.C.

Grantee(s)

1. PEOPLES BANK

Legal Description: LOT 3, & PTN OF 2, BLK 134, 1ST TO BURL.  
LOTS 11, 12 & PTN OF 10, BLK 7, KNUTSEN'S ADD

Additional on page 2

Assessor's Tax Parcel ID#: 4077-134-002-0104 (P72188), 4077-134-003-0004 (P72189)  
AND 4089-007-012-0007 (P72739)

**THIS MODIFICATION OF DEED OF TRUST dated July 25, 2003, is made and executed between LRW PROPERTIES, L.L.C., A WASHINGTON LIMITED LIABILITY COMPANY, whose mailing address is P O BOX 428, BURLINGTON, WA 98233 ("Grantor") and PEOPLES BANK, MOUNT VERNON OFFICE, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender").**

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

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated January 11, 2002 (the "Deed of Trust") which has been recorded in SKAGIT County, State of Washington, as follows:

DEED OF TRUST DATED JANUARY 11, 2002, RECORDED JANUARY 31, 2002 UNDER RECORDING NUMBER 200201310135 IN 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:

**PARCEL A:**

LOTS 11 AND 12, BLOCK 7, "KNUTSEN'S ADDITION TO THE TOWN OF BURLINGTON", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 80, RECORDS OF SKAGIT COUNTY, WASHINGTON, AND THAT PORTION OF THE WEST 15 FEET OF THE VACATED, UNNAMED STREET TO THE EAST OF SAID LOTS THAT IS ADJACENT TO AND ABUTTING UPON.

TOGETHER WITH THE SOUTH 12.03 FEET OF LOT 10, BLOCK 7, "KNUTSEN'S ADDITION TO THE TOWN OF BURLINGTON", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 80, RECORDS OF SKAGIT COUNTY, WASHINGTON.

ALSO TOGETHER WITH THE WEST 15.00 FEET OF THE VACATED, UNNAMED STREET TO THE EAST OF SAID SOUTH 12.03 FEET OF SAID LOT 10 THAT IS ADJACENT TO AND ABUTTING UPON.

SITUATE IN THE CITY OF BURLINGTON, COUNTY OF SKAGIT, STATE OF WASHINGTON.

**PARCEL B:**

THAT PORTION OF LOT 2, BLOCK 134, "FIRST ADDITION TO BURLINGTON", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS AT PAGE 11, RECORDS OF SKAGIT COUNTY, WASHINGTON AND ALSO THAT PORTION OF THE VACATED STREET ALONG THE WEST LINE OF SAID LOT 2, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT 2; THENCE SOUTH 88°26'05" EAST ALONG THE SOUTH LINE OF SAID LOT 2 A DISTANCE OF 184.12 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN RAILROAD; THENCE NORTH 6°53' 24" WEST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 59.04 FEET; THENCE NORTH 88°26' 18" WEST A DISTANCE OF 175.88 FEET TO THE EAST LINE OF SAID VACATED STREET; THENCE NORTH 88°52'08" WEST A DISTANCE OF 15.00 FEET TO THE CENTERLINE OF SAID VACATED STREET; THENCE SOUTH 1°07' 52" WEST ALONG SAID CENTERLINE A DISTANCE OF 58.39 FEET TO A POINT WHICH BEARS NORTH 88°52' 08" WEST FROM THE POINT OF BEGINNING; THENCE SOUTH 88°52'08" EAST A DISTANCE OF 15.00 FEET TO THE POINT OF BEGINNING.

SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.

**PARCEL C:**

LOT 3, BLOCK 134, "FIRST ADDITION TO BURLINGTON, SKAGIT CO., WASH.", AS PER PLAT RECORDED IN VOLUME 3 OF PLATS, PAGE 11, RECORDS OF SKAGIT COUNTY, WASHINGTON, AND THAT PORTION OF THE VACATED UNNAMED STREET ADJOINING AND ABUTTING UPON THE WESTERLY BOUNDARY OF SAID LOT AND LYING NORTHERLY OF THE EAST EXTENSION OF THE SOUTH LINE OF BLOCK 7, "KNUTSEN'S ADDITION TO THE TOWN OF BURLINGTON", WHICH UPON VACATION REVERTED TO SAID PREMISES BY OPERATION OF LAW.

SITUATE IN COUNTY OF SKAGIT, STATE OF WASHINGTON

The Real Property or its address is commonly known as 750 SOUTH SPRUCE STREET AND 401 SHARON STREET, BURLINGTON, WA 98233. The Real Property tax identification number is 4077-134-002-0104 (P72188), 4077-134-003-0004 (P72189) AND 4089-007-012-0007 (P72739)

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

THIS MODIFICATION OF DEED OF TRUST AMENDS THE DEED OF TRUST DATED JANUARY 11, 2002 WITH THE FOLLOWING AMENDMENTS:

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATED JULY 25, 2003 FROM GRANTOR TO LENDER, TOGETHER WITH ALL RENEWALS OF, EXTENSIONS OF, MODIFICATIONS OF, REFINANCINGS OF, CONSOLIDATIONS OF, AND SUBSTITUTIONS FOR A PROMISSORY NOTE OR AGREEMENT.

THE PRINCIPAL AMOUNT IS \$387,117.21, WHICH INCLUDES A NEW ADVANCE OF \$2,325.83.

**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 makers, 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 JULY 25, 2003



Skagit County Auditor

MODIFICATION OF DEED OF TRUST  
(Continued)

GRANTOR:

LRW PROPERTIES, L.L.C.

By: Richard L. Watkins  
RICHARD L. WATKINS, Member of LRW PROPERTIES, L.L.C.

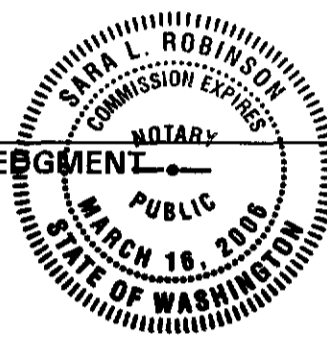
By: Linda Watkins  
LINDA WATKINS, Member of LRW PROPERTIES, L.L.C.

LENDER:

x Danielle K. Muller  
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF Skagit )

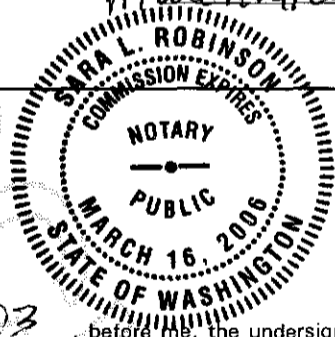


On this 4 day of August, 2003, before me, the undersigned Notary Public, personally appeared RICHARD L. WATKINS, Member and LINDA WATKINS, Member of LRW PROPERTIES, L.L.C., and personally known to me or proved to me on the basis of satisfactory evidence to be of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, 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 limited liability company.

By: Sara L. Robinson Residing at Bedou Woolley WA  
Notary Public in and for the State of WA My commission expires March 16, 2006

LENDER ACKNOWLEDGMENT

STATE OF Washington )  
 ) SS  
COUNTY OF Skagit )



On this 4 day of August, 2003, before me, the undersigned Notary Public, personally appeared Danielle K. Muller and personally known to me or proved to me on the basis of satisfactory evidence to be the 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 Residing at Bedou Woolley WA  
Notary Public in and for the State of WA My commission expires March 16, 2006



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