

RETURN ADDRESS:

Horizon Bank
Commercial Banking
Center
2211 Rimland Drive, Suite
230
Bellingham, WA 98226



200311060075
Skagit County Auditor

11/6/2003 Page 1 of 3 11:41AM

MODIFICATION OF DEED OF TRUST

Reference # (if applicable): 200204150191

Additional on page _____

Grantor(s):

1. Jones, Gloria J.
2. Jones, Jr., Jack W.

Grantee(s)

1. Horizon Bank

Legal Description: Lots 1-3 "37th Court"

Additional on page 2

Assessor's Tax Parcel ID#: 4743-000-001-0000 P116526, 4743-000-002-0000 P116527 &
4743-000-003-0000 P116528

THIS MODIFICATION OF DEED OF TRUST dated October 15, 2003, is made and executed between Jack W. Jones and Gloria J. Jones; husband and wife ("Grantor") and Horizon Bank, Anacortes Office, PO Box 587 / 1218 Commercial Avenue, Anacortes, WA 98221 ("Lender").

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

Loan No: 0780000001

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated April 12, 2002 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

Recorded 4/15/2002 Skagit County Auditor recording #200204150191 .

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

Lots 1 through 3 "PLAT OF 37TH COURT", according to the plat thereof recorded January 14, 2000 under Auditor's File No. 200001141171, records of Skagit County, Washington

The Real Property or its address is commonly known as 2316, 2318, 2320 37th Court, Anacortes, WA 98221. The Real Property tax identification number is 4743-000-001-0000 P116526, 4743-000-002-0000 P116527 & 4743-000-003-0000 P116528

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

The maturity date of May 1, 2003 referenced in above described Deed of Trust is hereby deleted in its entirety without substitution. The period of this Deed of Trust shall continue uninterrupted until re-conveyed by Lender to Grantor.

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.

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 OCTOBER 15, 2003.

GRANTOR:

x Gloria J. Jones
Gloria J. Jones, Individually

x Jack W. Jones, Jr.
Jack W. Jones, Jr., Individually

LENDER:

x [Signature]
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)

On this day before me, the undersigned Notary Public, personally appeared **Gloria J. Jones and Jack W. Jones, Jr., husband and wife**, 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 Deed of Trust, and acknowledged that they signed the Modification as their free and voluntary act and deed, for the uses and purposes therein mentioned.

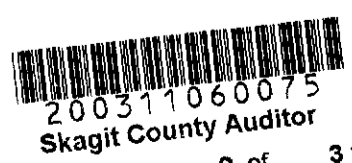
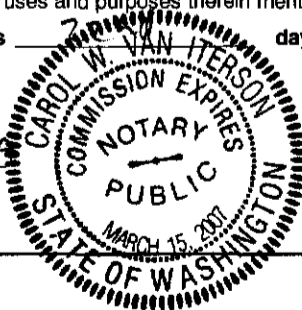
Given under my hand and official seal this 15 day of October, 2003

By Carol W. Van Iterson

Residing at Anacortes

Notary Public in and for the State of WA

My commission expires 3-15-07



MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 0780000001

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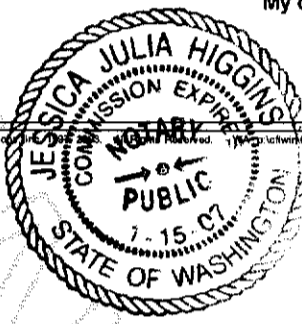
LENDER ACKNOWLEDGMENT

STATE OF WASHINGTON)
) SS
COUNTY OF WHATCOM)

On this 24TH day of OCTOBER, 20 03, before me, the undersigned Notary Public, personally appeared DALE HOLT 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 [Signature]
JESSICA JULIA HIGGINS
Notary Public in and for the State of WA

Residing at BELLINGHAM
My commission expires 21-15-07



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200311060075
Skagit County Auditor