

RETURN ADDRESS:

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



200608310004
Skagit County Auditor

8/31/2006 Page 1 of 3 9:18AM

LAND TITLE OF SKAGIT COUNTY

P. 91826

MODIFICATION OF MORTGAGE

Reference # (if applicable): MTVE XX1514/200108030139

Additional on page ____

Grantor(s):

1. JENSEN, VICTOR R.
2. JENSEN, JUDY H.

Grantee(s)

1. Frontier Bank

Legal Description: PTN S1/2 NW1/4 & PTN SW1/4 NE 1/4, 9-35-3 E W.M. AKA TR. 1 SP NO. 90-63

Additional on page 2

Assessor's Tax Parcel ID#: 350309-2-004-0108, 350309-2-004-0009, 350309-1-005-0000, 350309-2-002-0001 & 350309-2-004-0200

THIS MODIFICATION OF MORTGAGE dated July 1, 2006, is made and executed between VICTOR R. JENSEN and JUDY H. JENSEN, HUSBAND AND WIFE, whose 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)**

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, IN SKAGIT COUNTY, WA., AUDITOR'S FILE NO. 200108030139.

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

LOT 1, SHORT PLAT NO. 90-63, APPROVED AND RECORDED JANUARY 24, 1991 IN VOLUME 9 OF SHORT PLATS, PAGE 306, UNDER AUDITOR'S FILE NO. 9101240031, AND BEING A PORTION OF SOUTH 1/2 OF THE NORTHWEST 1/4 AND THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4 OF SECTION 9, 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 14127 CHURCH ROAD, BOW, WA 98232. The Real Property tax identification number is 350309-2-004-0108, 350309-2-004-0009, 350309-1-005-0000, 350309-2-002-0001 & 350309-2-004-0200.

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

THIS REPRESENTS AN ADDITION OF THE CROSS COLLATERALIZATION PROVISION.

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.

CROSS COLLATERALIZATION. In addition to the Note, this Mortgage secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, determined or undetermined, absolute or contingent, liquidated or unliquidated, whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by an statute or limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF MORTGAGE AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF MORTGAGE IS DATED JULY 1, 2006.

GRANTOR:

x Victor R. Jensen
VICTOR R. JENSEN

x Judy H. Jensen
JUDY H. JENSEN

LENDER:

FRONTIER BANK
x [Signature]
Authorized Signer



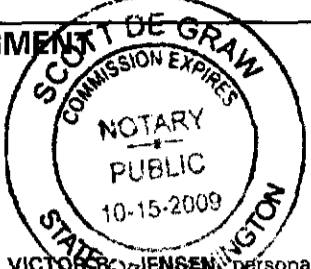
200608310004
Skagit County Auditor

MODIFICATION OF MORTGAGE
(Continued)

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington
COUNTY OF Skagit

)
) SS
)



On this day before me, the undersigned Notary Public, personally appeared VICTOR HOJENSEN, 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 Mortgage, 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 28th day of August, 2006

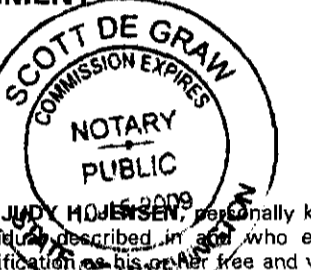
By [Signature]
Notary Public in and for the State of WA

Residing at Sedro-Woolley
My commission expires 10-15-09

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Washington
COUNTY OF Skagit

)
) SS
)



On this day before me, the undersigned Notary Public, personally appeared JUDY HOJENSEN, 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 Mortgage, 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 28th day of August, 2006

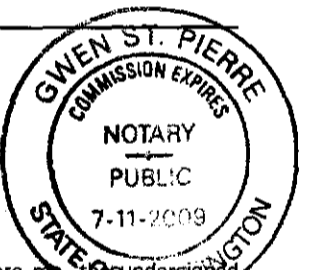
By [Signature]
Notary Public in and for the State of WA

Residing at Sedro-Woolley
My commission expires 10-15-2009

LENDER ACKNOWLEDGMENT

STATE OF Washington
COUNTY OF Skagit

)
) SS
)



On this 28th day of August, 2006, before me, the undersigned Notary Public, personally appeared SCOTT DE GRAY and personally known to me or proved to me on the basis of satisfactory evidence to be the VP - COMM'LION OFFICER, 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]
Notary Public in and for the State of Washington

Residing at Marvsville
My commission expires 07-11-09

