

200202060072  
Skagit County Auditor  
2/6/2002 Page 1 of 2 11:48AM

After Recording Return To:  
CUSTOM CONSTRUCTION DEPT.  
FIRST MUTUAL SAVINGS BANK  
PO BOX 1647  
BELLEVUE, WA 98009

FIRST AMERICAN TITLE CO.

----- (Space Above Line for Recording Date) -----

Loan #: 71 427904 02

**LOAN MODIFICATION AGREEMENT**  
(Providing for Fixed Interest Rate)

This Loan Modification Agreement ("Agreement"), made this 1ST day of FEBRUARY, 2002, between HARRY L. HUGHES AND LINDA L. HUGHES, husband and wife ("Borrower") and First Mutual Savings Bank ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust or Deed to Secure Debt (the "Security Instrument"), dated JULY 23, 2001 and recorded in Book or Liber Recording #: 200107270107, at page(s) N/A, of the N/A Records of SKAGIT County, WA, and (2) the Note Bearing the same date as, and secured by, [County and State, or other Jurisdiction]

the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property", located at

17111 BROOK COURT, MOUNT VERNON, WA 98274

the real property described being set forth as follows:

LOT 39, "NOOKACHAMP HILLS PLANNED UNIT DEVELOPMENT, PHASE I", AS FILED IN VOLUME 17 OF PLATS, PAGES 26-31, RECORDS OF SKAGIT COUNTY, WASHINGTON

Assessor's Property Tax Parcel/Account Number(s): 4722-000-039-000 R113880

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. As of FEBRUARY 1, 2002 the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$263,550.00, consisting of the amount(s) loaned to the Borrower by the Lender and any interest capitalized to date.
2. The Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of the Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of 7.125%, from FEBRUARY 1, 2002. The Borrower promises to make monthly payments of principal and interest of U.S. \$1,775.59 beginning on the first day of MARCH, 2002, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. If on FEBRUARY 1, 2032 (the "Maturity Date"), the Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, the Borrower will pay these amounts in full on the Maturity Date.

The Borrower will make such payment at PO Box 1647, Bellevue, WA 98009 or at such other place as the Lender may require.

3. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in the Borrower is sold or transferred and the Borrower is not a natural person) without the Lender's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by the Security Instrument.

If the Lender exercises this option, the Lender shall give the Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by the Security Instrument. If the Borrower

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fails to pay these sums prior to the expiration of this period, the Lender may invoke any remedies permitted by the Security Instrument without further notice or demand on the Borrower.

4. The Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, the Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that the borrower is obligated to make under the Security Instrument.
5. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and the Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by the Agreement.

Witness: \_\_\_\_\_

Harry L. Hughes (Seal)  
HARRY L. HUGHES

Witness: \_\_\_\_\_

Linda L. Hughes (Seal)  
LINDA L. HUGHES

\_\_\_\_\_  
(Seal)\_\_\_\_\_  
(Seal)

Witness: \_\_\_\_\_

Lender: First Mutual Savings Bank

By: [Signature]  
[Authorized Officer Name]

Witness: \_\_\_\_\_

Its: \_\_\_\_\_  
[Authorized Officer Title]

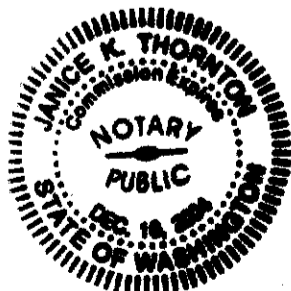
----- (Space Below this Line for Acknowledgments) -----

On this day personally appeared before me HARRY L. HUGHES AND  
LINDA L. HUGHES  
to me known to be the individual(s) described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 1<sup>ST</sup> day of February, 2002.

My Commission expires: Dec. 10, 2004

Janice K. Thornton  
Notary Public in and for the State of Washington  
residing at: Market Vernon



200202060072

Skagit County Auditor