

WHEN RECORDED RETURN TO:

Attn: Jennifer Jordan/Carla Bryant

IndyMac Bank, F.S.B.
1707 Market Place, 3rd Floor
Irving, TX 75063



200511210121
Skagit County Auditor

11/21/2005 Page 1 of 8 11:22AM

POOR ORIGINAL

Chicago Title Insurance Company

425 Commercial Street – Mount Vernon, Washington 98273

IC35031

DOCUMENT TITLE(s):

1. **MODIFICATION AGREEMENT**

REFERENCE NUMBER(s) OF DOCUMENTS ASSIGNED OR RELEASED:

200507290190

Additional numbers on page _____ of the document

GRANTOR(s):

1. **SUSAN HARRIS**

Additional names on page _____ of the document

GRANTEE(s):

1. **INDYMAC BANK, F.S.B.**

Additional names on page _____ of the document

ABBREVIATED LEGAL DESCRIPTION:

Ptn. SE NW, Sec. 30, T35N, R4EWM

Complete legal description is on page 8 of the document

ASSESSOR'S PROPERTY TAX PARCEL ACCOUNT NUMBER(s):

350430-2-005-0208 P38116

This cover sheet is for the County Recorder's indexing purposes only.
The Recorder will rely on the information provided on the form and will not read the document to verify the accuracy or completeness of the indexing information provided herein.

Loan Number: 121596868

MODIFICATION AGREEMENT
(Long Form)

This Modification Agreement ("Agreement") is made as of November 10, 2005, by
SUSAN HARRIS

("Borrower"), and INDYMAC BANK, F.S.B.,
a federally chartered savings bank, ("Lender").

Factual Background

A. Under a construction loan agreement dated July 21, 2005 (the
"Construction Loan Agreement"), Lender agreed to make a loan (the "Loan") to Borrower.
Capitalized terms used here without definition have the meanings given to them in the Construction
Loan Agreement.

B. The Loan is evidenced by a note dated July 21, 2005 (the
"Note"), made payable to Lender in the stated principal amount of \$ 203,825.00. The Note is
secured by a Construction and Permanent Deed of Trust and Fixture Filing dated
July 21, 2005 (the "Security Instrument"), executed by the Borrower as Trustor, to
FIRST AMERICAN TITLE COMPANY as Trustee, for the benefit of
Lender as Beneficiary. The Security Instrument was recorded in the
Official Records of SKAGIT County, State of WASHINGTON

The Security Instrument encumbers certain property located in
SKAGIT County, State of WASHINGTON, as more particularly
described in Exhibit "A" attached to this Agreement (the "Property"). The street address of the
Property is as follows:
10501 CHUCKANUT DRIVE
BURLINGTON, WA 98233

C. As used here, the term "Loan Documents" means the Construction Loan
Agreement, the Note, the Security Instrument, and any other documents executed in connection
with the Loan, including those which evidence, guarantee, secure or modify the Loan, as any or all
of them may have been amended to date. This Agreement is a Loan Document.

D. As of the date of this Agreement, the outstanding principal balance of the
Loan is \$ 163,170.00

E. Borrower and Lender now wish to modify the Loan as set forth below.

Agreement

Therefore, Borrower and Lender agree as follows:

1. Truth and Accuracy of Recitals. Acknowledgment of Indebtedness. The Borrower
acknowledges the truth and accuracy of the recitals set forth above in the Factual Background and



that it is liable and indebted to Lender for the principal amount set forth above together with interest thereon at the rate specified in the Note and all other fees, charges and expenses accrued and unpaid under the Loan Documents (the "Indebtedness"). Borrower acknowledges that: (i) it has no defense, counterclaim, offset, cross-complaint, claim or demand of any kind or nature whatsoever to reduce or eliminate all or any part of its liability to repay the Indebtedness which is due, owing and unpaid; (ii) nothing but full and complete performance of all of its obligations in the payment of its Indebtedness shall satisfy and discharge its liability to Lender, and (iii) the Loan Documents are in full force and effect, are duly executed and delivered to Lender and constitute valid, binding agreements and obligations, are enforceable in accordance with their terms, and are hereby reaffirmed. Borrower hereby irrevocably waives and relinquishes all rights, if any, to directly or indirectly challenge, attack or dispute the Loan Documents, Lender's lien interest in the Property, the Indebtedness, or any actions of Lender taken or omitted to be taken in connection therewith. Borrower further acknowledges that, notwithstanding Lender's willingness to enter into this Agreement, Lender has made no representations regarding, and shall have no obligation to make, any further modifications to the Loan Documents.

2. Release of Claims. Borrower acknowledges that it does not have any claims, demands, actions, causes of action, suits and/or cross-complaints which could be asserted against Lender, its officers, representatives, agents, attorneys, employees, subsidiaries, parents, affiliates or their successors and assigns. Except for any breach of this Agreement by Lender, and to the extent that any such claim, which Borrower represents and warrants, has not been assigned may exist as the date hereof, Borrower, and on behalf of its heirs, estates, successors and assigns, hereby forever irrevocably releases Lender, its officers, representatives, agents, attorneys, employees, subsidiaries, parents, affiliates and their successors and assigns from any and all claims, demands, suits, causes of action, cross-complaints, assertions, liabilities or debts of any nature whatsoever, whether known or unknown, absolute or contingent, presently existing or hereafter discovered, pertaining to, connected with or arising out of the transactions so described in this Agreement, including, without limitation, any delay in initial funding of the transaction, any relationship between Lender and Borrower, any verbal or written loan agreement, or other commitment, or any document, instrument or agreement entered into in connection herewith or referred to herein, including, without limitation, the Loan Documents.

3. Modification of Loan Documents. The Loan Documents are hereby amended as follows:

(a) Effective with this Modification Agreement, the principal balance under the Note shall be increased to \$ 223,825.00 representing the additional advance to the principal in the amount of \$ 20,000.00, which shall be disbursed to pay Construction costs in accordance with the Construction Loan Agreement.

(b) The Security Instrument is modified to secure payment and performance of the Loan as amended to date, in addition to all other secured obligations as therein defined.

4. Conditions Precedent. Before this Agreement becomes effective and any party becomes obligated under it, all of the following conditions shall have been satisfied at Borrower's sole cost and expense in a manner acceptable to Lender in the exercise of Lender's sole judgment:

(a) Lender shall have received such assurance as Lender may require that the validity and priority of the Security Instrument has not been and will not be impaired by this Agreement or the transactions contemplated by it.



(b) Lender shall have received fully executed and, where appropriate, acknowledged originals of this Agreement, the short form of this Agreement and any other documents which Lender may require or request in accordance with this Agreement or the other Loan Documents.

(c) The short form of this Agreement shall have been recorded in the Official Records of the County of SKAGIT, State of WASHINGTON, in addition to all other documents which Lender may require to be recorded.

(d) Lender shall have received an additional advance fee in the amount of \$ 400.00 in immediate available funds.

(e) Lender shall have received reimbursement, in immediately available funds, of all costs and expenses incurred by Lender in connection with this Agreement, including charges for title insurance (including endorsements), recording, filing and escrow charges, fees for appraisal, architectural and engineering review, construction services and environmental services, mortgage taxes, and legal fees and expenses of Lender's counsel, which Lender may incur in connection with this Agreement up to and including the time when, the short form of this Agreement is recorded.

5. Borrower's Representation and Warranties. Borrower represents and warrants to Lender as follows:

(a) Loan Documents. All representations and warranties made and given by Borrower in the Loan Documents are true, accurate and correct.

(b) No Default. No Event of Default has occurred and is continuing, and no event has occurred and is continuing which, with notice or the passage of time or both, would be an Event of Default.

(c) Property. Borrower lawfully possesses and holds fee simple title to all of the Property which is real property, and the Security Instrument is a first and prior lien on that property. Borrower owns all of the Property which is personal property free and clear of any reservations of title and conditional sales contracts, and also of any security interests other than the Security Instrument, which is a first and prior lien on such property. There is no financing statement affecting any Property on file in any public office except for financing statements in favor of Lender.

6. Incorporation. This Agreement shall form a part of each Loan Document, and all references to a given Loan Document shall mean that document as hereby modified.

7. No Prejudice; Reservation of Rights. This Agreement shall not prejudice any rights or remedies of Lender under the Loan Documents. Lender reserves, without limitation, all rights which it has against any indemnitor, grantor, or endorser of the Note.

8. No Impairment. Except as specifically hereby amended, the Loan Documents shall each remain unaffected by this Agreement and all such documents shall remain in full force and effect. Nothing in this Agreement shall impair the lien of the Security Instrument, which as hereby amended shall remain one deed of trust with one power of sale, creating a first lien encumbering the Property.



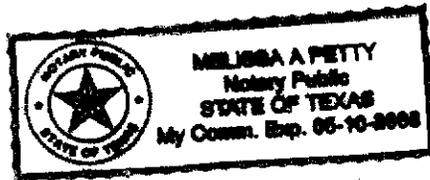
ACKNOWLEDGMENT

STATE OF Texas
COUNTY OF Dallas)

On November 16, 2005 before me, _____
Melissa A. Petty [, a Notary Public in and for the State of Texas ,] personally
appeared Felicia Clark, Vice-President
[and _____], personally known to me (or proved to me on the
basis of satisfactory evidence) to be the person[s] whose name[s] [is/are] subscribed to the within instrument and
acknowledged to me that [he/she/they] executed the same in [his/her/their] authorized [capacity/capacities], and
that by [his/her/their] signature[s] on the instrument the person[s], or the entity upon behalf of which the person[s]
acted, executed the instrument.

WITNESS my hand and official seal.


(Signature)



(Space above for official
notarial seal)



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Skagit County Auditor

ACKNOWLEDGMENT

STATE OF WASHINGTON
COUNTY OF SKAGIT

On Nov. 14, 2005 before me, Benjamin C. Stewart [a Notary Public in and for the State of WASHINGTON,] personally appeared Susan P. Harris

[and _____], personally known to me (or proved to me on the basis of satisfactory evidence) to be the person[s] whose name[s] [is/are] subscribed to the within instrument and acknowledged to me that [he/she/they] executed the same in [his/her/their] authorized [capacity/capacities], and that by [his/her/their] signature[s] on the instrument the person[s], or the entity upon behalf of which the person[s] acted, executed the instrument.

WITNESS my hand and official seal.

Benjamin C. Stewart
(Signature)



(Space above for official notarial seal)

EXHIBIT "A"

That portion of the Southeast Quarter of the Northwest Quarter of Section 30, Township 35 North, Range 4 East of the Willamette Meridian, described as follows:

Beginning at a point on the East line of State Highway known as Pacific Highway, as conveyed to the State of Washington by deed dated April 6, 1921, recorded April 26, 1921, in Volume 122 of Plats, page 22, under Auditor's File No. 149369, records of Skagit County, Washington, at a point 348.8 feet North of the South line of said subdivision, said point being the Northwest corner of a tract of land conveyed to Paul B. Jordan, et ux, by deed dated January 19, 1945, recorded February 3, 1945, under Auditor's File No. 377826, records of Skagit County, Washington;
thence Southeasterly along said Pacific Highway a distance of 290.1 feet to the true point of beginning;
thence Northeasterly at right angles to the Northeasterly line of said Pacific Highway a distance of 110 feet;
thence Southeasterly parallel with the East line of said Pacific Highway a distance of 100 feet;
thence Southwesterly along a line running at right angles to the Northeasterly line of said Pacific Highway a distance of 110 feet to the Northeasterly line of said highway;
thence Northwesterly along said Northeasterly line to the highway to the point of beginning.

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



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Skagit County Auditor