



200812290033

Skagit County Auditor

12/29/2008 Page

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8 10:35AM

LOAN MODIFICATION AGREEMENT

(Providing for Fixed Interest Rate) MERS Phone: 1-888-679-6377

MIN 100052550179569537

This Loan Modification Agreement ("Agreement"), made this 25th day of November, 2008, between JEFFREY WAYNE SALMON, A SINGLE MAN

("Borrower") and

FLAGSTAR BANK, FSB, 5151 CORPORATE DR. TROY, MI 48098 ("Lender"), and Mortgage Electronic Registration Systems, Inc., (Mortgagee), amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated JANUARY 7, 2008 and granted or assigned to Mortgage Electronic Registration Systems, Inc, as mortgagee of record (solely as nominee for Lender and Lender's successors and assigns), P.O. Box 2026, Flint, Michigan 48501-2026 and recorded in Book or Liber , at page(s) AUDITOR'S Ni., of the COUNTY Records of SKAGIT, WASHINGTON 20080110062

[Name of Records]

[County and State, or other Jurisdiction]

and (2) the Note, bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property," located at 7259 ISLAND CREST LANE ANACORTES, WA 98221

[Property Address]

501795695

LOAN MODIFICATION AGREEMENT WITH MERS-Single Family-Fannie Mae Uniform Instrument Form 3179 1/01 (rev. 6/06)

Wolters Kluwer Financial Services VMP®-852A (0610)

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Initials:

the real property described being set forth as follows:

SEE THE ATTACHED LEGAL DESCRIPTION

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

1. As of **NOVEMBER 25, 2008**, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$ **187,949.76** consisting of the unpaid amount(s) loaned to Borrower by Lender plus any interest and other amounts capitalized.
2. Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of **6.25 %**, from **NOVEMBER 25, 2008**. Borrower promises to make monthly payments of principal and interest of U.S. \$ **1,167.42**, beginning on the **1ST** day of **DECEMBER, 2008**, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. The yearly rate of **6.25 %** will remain in effect until principal and interest are paid in full. If on **FEBRUARY 1, 2038** (the "Maturity Date"), Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.
3. If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by the Security Instrument.

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Initials: *JWS*

Form 3179 1/01 (rev. 6/06)



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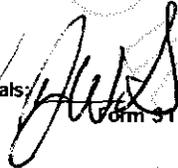
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If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by the Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Security Instrument without further notice or demand on Borrower.

4. Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that Borrower is obligated to make under the Security Instrument; however, the following terms and provisions are forever canceled, null and void, as of the date specified in paragraph No. 1 above:
 - (a) all terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note, including, where applicable, the Timely Payment Rewards rate reduction, as described in paragraph 1 of the Timely Payment Rewards Addendum to Note and paragraph A.1. of the Timely Payment Rewards Rider. By executing this Agreement, Borrower waives any Timely Payment Rewards rate reduction to which Borrower may have otherwise been entitled; and
 - (b) all terms and provisions of any adjustable rate rider, or Timely Payment Rewards Rider, where applicable, or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms and provisions as those referred to in (a) above.
5. Borrower understands and agrees that:
 - (a) All the rights and remedies, stipulations, and conditions contained in the Security Instrument relating to default in the making of payments under the Security Instrument shall also apply to default in the making of the modified payments hereunder.
 - (b) All covenants, agreements, stipulations, and conditions in the Note and Security Instrument shall be and remain full force and effect, except as herein modified, and none of the Borrower's obligations or liabilities under the Note and Security Instrument shall be diminished or released by any provisions hereof, nor shall Agreement in any way impair, diminish, or affect any of Lender's rights under or remedies on the Note and Security Instrument, whether such rights or remedies arise thereunder or by operation of law. Also, all rights of recourse to which Lender is presently entitled against any property or any other persons in way obligated for, or liable on, the Note and Security Instrument are expressly reserved by Lender.
 - (c) Borrower has no right of set-off or counterclaim, or any defense to the obligations of the Note or Security Instrument.
 - (d) 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.

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Form 5175 1/01 (rev. 6/06)



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UNNOTICED DOCUMENT

- (e) All costs and expenses incurred by Lender in connection with this Agreement, including recording fees, title examination, and attorney's fees, shall be paid by the Borrower and shall be secured by the Security Instrument, unless stipulated otherwise by Lender.
- (f) Borrower agrees to make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement which, if approved and accepted by Lender, shall bind and inure to the heirs, executors, administrators, and assigns of the Borrower.

Jeffrey Wayne Salmon (Seal)

 -Borrower
JEFFREY WAYNE SALMON

_____ (Seal)
 -Borrower

Mortgage Electronic Registration
 Systems, Inc. _____ (Seal)
 -Mortgagee

FLAGSTAR BANK, FSB, 5151
CORPORATE DR TROY, MI 48068 (Seal)
 -Lender

By: *[Signature]*

MICHAEL D. RIESER
VICE PRESIDENT, MERS

By: *[Signature]*

MICHAEL D. RIESER
VICE PRESIDENT, FLAGSTAR BANK

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Chin MA

 Witness **CHIN MA**

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Norma Wetmore

 Witness **NORMA WETMORE**



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 Skagit County Auditor

6. THIS DOCUMENT MUST BE EXECUTED, NOTARIZED AND RETURNED BY 12-2-08
OR THIS LOAN MODIFICATION AGREEMENT IS NULL AND VOID.

[Space Below This Line For Acknowledgments]

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NOTARY ACKNOWLEDGEMENT

STATE OF _____

County of _____

On the _____ day of _____
for said state, personally appeared

before me, the undersigned, a notary public in and

JEFFREY WAYNE SALMON

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that executed the same in _____ capacity(ies), and that by _____ signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

My Commission Expires: _____

STATE OF Washington

County of Skagit

On the 4th day of December
for said state, personally appeared

before me, the undersigned, a notary public in and

Jeffrey Wayne Salmon
and _____

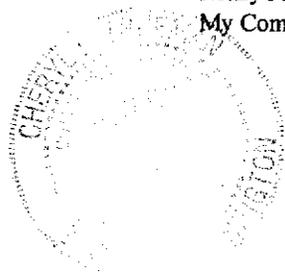
_____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that ~~he/she~~ executed the same in ~~his/her~~ capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Cheryl L. Truman
Notary Public

My Commission Expires: 5/14/11

**PREPARED BY AND
WHEN RECORDED RETURN TO:
CHIN MA
FLAGSTAR BANK, FSB
CONSTRUCTION DEPT.
5151 CORPORATE DRIVE
TROY, MI 48098**

Rev. 04/18/03



**200812290033
Skagit County Auditor**

NOTARY ACKNOWLEDGEMENT

STATE OF

County of

On the _____ day of _____
for said state, personally appeared

before me, the undersigned, a notary public in and

JEFFREY WAYNE SALMON

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that executed the same in _____ capacity(ies), and that by _____ signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

My Commission Expires: _____

STATE OF MI

County of OKLAND

On the 8TH day of DECEMBER 2008 before me, the undersigned, a notary public in and for said state, personally appeared MICHAEL D. RIESER, VICE PRESIDENT
FLAGSTAR BANK and MICHAEL D. RIESER,
VICE PRESIDENT, MERS, personally known to me or

proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Kathy Mezik

Notary Public

My Commission Expires: 3-11-2012

**PREPARED BY AND
WHEN RECORDED RETURN TO:
CHIN MA
FLAGSTAR BANK, FSB
CONSTRUCTION DEPT.
5151 CORPORATE DRIVE
TROY, MI 48098**

Rev. 04/18/03

KATHY MEZIC
Notary Public - Michigan
Oakland County
My Commission Expires Mar 11, 2012
Acting in the County of Oakland



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Legal description

The land referred to in this report/policy is situated in the State of Washington, County of Skagit, and is described as follows:

Lot 1B, Revised Skagit County Short Plat No. 69-80, approved March 21, 1989, recorded June 8, 1989 in Volume 8, 1989 in Volume 8 of Short Plats, page 130, under Auditor's File No. 8906080047, records of Skagit County, Washington; being a portion of Section 8, Township 35 North, Range 2 East, W.M.;

TOGETHER WITH a non-exclusive easement for ingress, egress, drainage and utilities as set forth under Auditor's File Nos. 824056 and 836154, records of Skagit County, Washington.



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