

WHEN RECORDED, RETURN TO:
FIRST AMERICAN LENDERS ADVANTAGE
1100 SUPERIOR AVENUE, SUITE 200
CLEVELAND, OHIO 44114
NATIONAL RECORDING



201010260042
Skagit County Auditor

10/26/2010 Page 1 of 7 11:34AM

MIN#100047200002934585

Abbreviated Legal: PTN SEC 23 T35N R4E WM

P.N.: P122410

Loan Number:
293458

LOAN MODIFICATION AGREEMENT

(Fixed/Adjustable Rate Modification)

THIS LOAN MODIFICATION AGREEMENT (the "Agreement"), made this 8th day of September, 2010, by and between **Grandview North L.L.C., A Washington Limited Liability Company** (individually, or if more than one, the "Borrower"), HomeStreet Bank, a Washington state chartered savings bank (including successors or assigns, the "Lender"), and Mortgage Electronic Recordings Systems, Inc., a Delaware corporation and nominee for Lender ("MERS").

Recitals

A. Lender previously made a loan (the "Loan") to Borrower evidenced by that certain Promissory Note dated **May 11, 2006** in the original principal amount of **\$400,000.00** (including any riders or modifications thereto, the "Note").

B. The Note is secured by a Deed of Trust (the "Security Instrument"), executed by Borrower as grantor, for the benefit of Lender as beneficiary, recorded on **May 19, 2006** under Recording No. **200605190123**, in the Official Records of **Skagit** County, Washington (including any riders or modifications thereto, the "Security Instrument").

Property described in the Security Instrument is referred to herein as the "Property."

"Property," located at **811 Thurmond Lane Sedro Woolley WA 98284**, the real property described being set forth as follows:

LEGAL DESCRIPTION:

See Attached EXHIBIT "A"

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):

C. As of **September 1, 2010**, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. **\$400,109.63**, consisting of the amount(s) loaned to the Borrower by the Lender and any interest capitalized to date.

Principal		<u>\$382,543.60</u>
Interest earned but not yet paid	From: January 1, 2010 To: August 1, 2010	\$14,452.42
Escrow charges	From: February 1, 2010 To: September 1, 2010	\$3,113.61
TOTAL:		\$400,109.63

1. **Lender's Forbearance.** In exchange for (a) Borrower's non-refundable payment of a modification fee totaling **\$250.00** to be received by Lender prior to effectiveness of this Agreement; (b) Borrower's payments described below; (c) Borrower's execution of this Agreement, and (d) Borrower's complete performance of each obligation under this Agreement, the Note, and the Security Instrument, Lender agrees not to accelerate the Loan or take further action to foreclose on the Property. Borrower understands and agrees, however, that Lender's forbearance is subject to the terms and conditions set forth in this Agreement and that Lender has not agreed to waive or defer any future non-compliance with this Agreement, the Note, or the Security Instrument. Borrower agrees that a default under this Agreement constitutes a default under the Note and the Security Instrument, and that upon such default, or any other default under the Note or Security Instrument, Lender may exercise any or all of its rights and remedies pursuant to the Note and the Security Instrument, including, without limitation, its rights to accelerate the Loan and foreclose the security interests granted to Lender in the Security Instrument.

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 in accordance with the Note and Security Instrument. Such interest is currently **4.50%**, from **August 1, 2010**. The Borrower promises to make monthly payments of principal and interest of U.S. **\$1,875.49**, beginning on the 1st day of **September, 2010**, and continuing thereafter on the same day of each succeeding month. Your principal and interest payment will be fixed until the next payment change date, which has been extended to **June 1, 2013**.

3. The Maturity day has been extended to **June 1, 2046**, if the Borrower still owes amounts under the Note and Security Instrument, as amended by this Agreement, the Borrower will pay these amounts in full on the Maturity Date.

The Borrower will make such payments at:

HOMESTREET BANK, 601 UNION STREET, SUITE 2000, SEATTLE, WASHINGTON 98101

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

5. 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.



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6. 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 this Agreement.

7. Acknowledgment of Default and Borrower's Obligations. The recitals stated above are true and correct. The amounts listed above and any additional amounts that subsequently accrue or are incurred pursuant to the Note and Security Instrument (as each may be modified by this Agreement) are due and owing and not subject to any setoff, deduction, counterclaim, or defense of any kind. Except as expressly modified in this Agreement, the Note and the Security Instrument remain in full force and effect and are valid and binding obligations.

8. Delinquencies Capitalized. Commencing on **September 1, 2010** the amounts identified in Recital C as Delinquent Interest, Delinquent Escrow, and Delinquent Fees (collectively, the "Delinquent Amount") shall be added to the outstanding principal balance of the Loan and shall begin accruing interest at the applicable interest rate in accordance with the Note, Security Instrument and this Agreement.

9. Post-Modification Escrow Payments. For the remaining Loan term, Borrower shall pay into an escrow account maintained by Lender such sums as are necessary to satisfy payment of taxes and/or insurance premiums related to the Property. Borrower shall make escrow payments concurrently with each regular monthly payment of principal and interest as stated in this Agreement. The initial escrow payment amount shall be **\$441.93**, which amount is subject to change.

10. Release of Claims. Borrower, on behalf of Borrower and Borrower's legal representatives, successors and assigns, hereby releases, waives, acquits and discharges Lender and Lender's legal representatives, parent and affiliated corporations, successors-in-interest, agents, attorneys, assigns, employees, shareholders, officers and directors (collectively, "Releasees"), from and of any and all liabilities, claims, demands, defenses, actions, causes of action and rights of whatsoever kind and nature (collectively, "Claims"), known or unknown, foreseen or unforeseen, which Borrower may now or hereafter have against any Releasee, existing or occurring prior to or as of the execution and delivery of this Agreement, and which in any way, directly or indirectly, relate to, result from or arise out of the Loan or any transactions related thereto, including without limitation, any Claims relating to, resulting from or arising out of the negotiation, making, funding, administration or collection of the Loan and any purported oral agreements or understandings by and between Borrower and any Releasee concerning the Note, the Security Instrument and any amendments, modifications or forbearances of the Note or the Security Instrument.

Borrower understands and agrees that the release set forth above is a full and final release that extinguishes all claims whether known, unknown, foreseen or unforeseen.

11. Interpretation and Modification. This Agreement supersedes and replaces any prior negotiations, agreements or understandings, whether written, oral, or implied, between Borrower and Lender concerning the subject matter of this Agreement. Except as specifically modified by this Agreement, the Note and the Security Instrument remain unchanged and in full force and effect, except to the extent discharged by a bankruptcy proceeding, in which case execution by a discharged debtor is solely as an owner of the Property that secures the Loan and does not establish any personal liability for such debtor. This Agreement modifies the Note and the Security Instrument only as expressly provided herein, and shall not be deemed, interpreted, or construed as a novation, replacement, or substitution of the Note or the Security Instrument, which remain in full force and effect. To the extent of any inconsistency between this Agreement and the Note and the Security Instrument, the provisions of this Agreement shall prevail. Any capitalized term not defined in this Agreement shall have the meaning ascribed in the Note or, if not defined in the Note, in the Security Instrument. This Agreement may only be modified or amended in writing by an agreement executed by Lender.



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12. Termination. If Borrower does not make any payment required by this Agreement in full and within fifteen (15) days of the date on which it is due, or Borrower commits any additional default under the Note or the Security Instrument, Lender may, in its sole discretion, terminate this Agreement and declare all amounts owing to Lender to be immediately due and payable in accordance with the Note, Security Instrument, and this Agreement.

13. Severability. If any terms or provisions of this Agreement are interpreted or construed by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those provisions so construed or interpreted and shall not affect the remaining provisions of this Agreement.

14. Borrower's Understanding. Borrower has read this Agreement in its entirety has been advised to seek legal counsel regarding the subject matter of this Agreement and has had an opportunity to seek legal counsel. Borrower has voluntarily entered into this Agreement and Lender has not attempted to coerce Borrower in any way. Borrower agrees that no ambiguity in this Agreement shall be construed against Lender.

15. Borrower's Cooperation. If so requested by Lender, Borrower shall execute such documents as Lender may require in its sole discretion to ensure the continued priority of the Security Instrument. Lender may also require subordination agreements from any or all persons or entities with an interest in the Property. If Lender requires any documents or agreements pursuant to this Section 10, receipt by Lender of such documents or agreements shall be a condition to effectiveness of this Agreement.

STATUTORY NOTICE: UNDER WASHINGTON LAW MOST AGREEMENTS, PROMISES, AND COMMITMENTS MADE BY HOMESTREET BANK CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION, AND BE SIGNED BY LENDER TO BE ENFORCEABLE.

Executed as of the date first written above.

HOMESTREET BANK,
a Washington State Chartered Savings Bank

By Susan E Mainville
Name: Susan E Mainville
Title: Vice President

**MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.,** a Delaware
corporation and Nominee for Lender

By Susan E Mainville
Name: Susan E Mainville
Title: Assistant Secretary

Grandview North LLC, By: Scott T. Wammack -
Member

Scott T. Wammack -Borrower

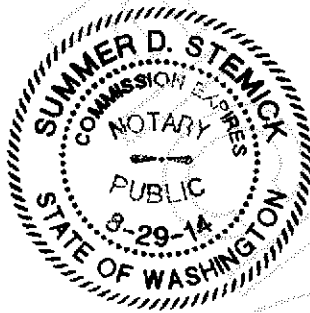


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State of Washington
County of Snohomish SS.

On this 2nd day of Sept, 2010, before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Scott T. Wammack to me known to be the individual(s) described in and who executed the foregoing instrument, and acknowledged it as the **Member of Grandview North LLC** to me that they signed and sealed the said instrument as their free and voluntary act and deed, for the uses and purposes therein mentioned

WITNESS my hand and official seal affixed the day and year first above written.

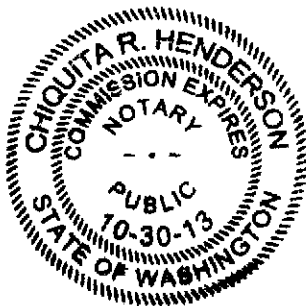


Summer D Sternick
Printed Name Summer D Sternick
Notary Public in and for the State of Washington,
residing in Granite Falls
My commission expires: 8/29/14

State of Washington
County of King SS.

On this 8th day of September, 2010, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Susan E Mainville, to me known to be the Vice President of HomeStreet Bank and Assistant Secretary of Mortgage Electronic Recording Systems, Inc. the entities that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said entities, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Chiquita Henderson
Printed Name: Chiquita Henderson
Notary Public in and for the State of Washington, residing
in King
My commission expires: 10/30/2013



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EXHIBIT A

TRACT 1

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 23, TOWNSHIP 35 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN; THENCE SOUTH 00 DEGREES 54 MINUTES 58 SECONDS WEST ALONG THE EAST LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, A DISTANCE OF 505.63 FEET; THENCE NORTH 44 DEGREES 18 MINUTES 37 SECONDS WEST, A DISTANCE OF 464.45 FEET; THENCE NORTH 17 DEGREES 12 MINUTES 02 SECONDS EAST, A DISTANCE OF 86.57 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 170.00 FEET; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 16 DEGREES 15 MINUTES 56 SECONDS AND AN ARC DISTANCE OF 48.26 FEET; THENCE NORTH 00 DEGREES 56 MINUTES 06 SECONDS EAST, A DISTANCE OF 52.95 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 23; THENCE SOUTH 88 DEGREES 05 MINUTES 48 SECONDS EAST ALONG SAID NORTH LINE, A DISTANCE OF 298.64 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

TRACT 2

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 23, TOWNSHIP 35 NORTH, RANGE 4 EAST, WILLAMETTE MERIDIAN; THENCE NORTH 88 DEGREES 05 MINUTES 48 SECONDS WEST ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER, A DISTANCE OF 518.73 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 44 DEGREES 18 MINUTES 37 SECONDS EAST, A DISTANCE OF 197.89 FEET; THENCE NORTH 17 DEGREES 12 MINUTES 01 SECONDS EAST, DISTANCE OF 54.01 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 110.00 FEET; THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL

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EXHIBIT A
(continued)

ANGLE OF 16 DEGREES 15 MINUTES 56 SECONDS AND AN ARC LENGTH OF 31.23 FEET; THENCE NORTH 00 DEGREES 56 MINUTES 06 SECONDS EAST, A DISTANCE OF 53.96 FEET TO THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 23; THENCE NORTH 88 DEGREES 05 MINUTES 48 SECONDS WEST ALONG SAID NORTH LINE, A DISTANCE OF 160.08 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION.

SITUATED IN THE COUNTY OF SKAGIT AND STATE OF WASHINGTON

ABBRV LEGAL:

PTN SEC 23 T35N R4E WM

Permanent Parcel Number: P122410
GRANDVIEW NORTH L.L.C., A WASHINGTON LIMITED LIABILITY
COMPANY

811 THURMOND LANE, SEDRO WOOLLEY WA 98284
Loan Reference Number : 293458
First American Order No: 42359723
Identifier: FIRST AMERICAN EQUITY LOAN SERVICES

 GRANDVIEW NORTH LLC
42776845 WA

FIRST AMERICAN ELS
MODIFICATION AGREEMENT



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