



201010280039

Skagit County Auditor

10/28/2010 Page

1 of

5 12:25PM

WHEN RECORDED MAIL TO:

AMERICAN GENERAL  
13401 NE BEL-RED RD, STE B-1  
BELLEVUE, WA 98005

This instrument was prepared by  
THERESA BECKETT

ACCOMMODATION RECORDING

LAND TITLE OF SKAGIT COUNTY

[Space above This Line for Recording Data]

## LOAN MODIFICATION AGREEMENT

(For Modifying Closed End Mortgage Loans)

This Loan Modification Agreement ("Agreement"), made and effective this 26TH day of OCTOBER, 2010, by and between JAMES P. SHIRA AND CATHERINE S. SHIRA, HUSBAND AND WIFE ("Borrower") and AMERICAN GENERAL HOME EQUITY INC. ("Lender"), modifies, amends, and supplements (to the extent this Agreement is inconsistent with their terms):

(1) the Mortgage, Deed of Trust, Deed to Secure Debt, or Security Deed ("Security Instrument"), and the Rider(s), if any, dated the 25th day of APRIL, 2006, and recorded in Book or Liber 200605010163, at page(s) 200605010163, of the SKAGIT Records of Washington and

(2) the Loan Agreement ("Note") to Lender, dated the 25TH day of APRIL, 2006, and secured by the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property", in the original principal balance of U.S. \$ 76,129.00, located at:

41657 MOUNTAIN VIEW LANE, CONCRETE, WA 98284  
PARCEL # 3869-007-045-0014

(Property Address)

And, if this document is to be recorded, the real property described is set forth as follows:

Lots 44 and 45, Block G, "CAPE HORN ON THE SKAGIT DIVISION NO. 2" as per plat recorded in Volume 9 of Plats, pages 14 through 19, inclusive, records of Skagit County, Washington. Situate in the County of Skagit, State of Washington.

Terms not defined in this Agreement are as defined in the Note and/or Security Instrument.

As of the Modification Effective Date, the amount of the principal balance payable under the Note and the Security Instrument (the "Unpaid Principal Balance") will be \$80,711.92, consisting of the unpaid amount(s) loaned to Borrower by Lender plus any interest and other amounts capitalized, if permitted by law.

In consideration of the mutual promises and agreements contained herein, Borrower and Lender (together the "Parties") agree that beginning on the Modification Effective Date, and after both Parties have executed this Agreement, (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. The interest rate on the Unpaid Principal Balance will begin to accrue as of the date of this Agreement at 2.00 %. \$0.00 of the Unpaid Principal Balance shall be deferred (the "Deferred Principal Balance") and Borrower will not pay interest or make monthly payments on this amount. The Unpaid Principal Balance less the Deferred Principal Balance shall be referred to as the "Interest Bearing Principal Balance" and this amount is \$80,711.92. The unpaid and deferred interest that has not been capitalized (the "Deferred Interest") will be \$4,816.50. \*Assuming no additional sums are advanced under the Note and assuming that all monthly payments are made in full and on time, my payment schedule, including my monthly payments and interest rate, and my Total Deferred Payment Amount as defined below, based on the current principal balance, will be:

Months	Interest Rate	Interest Rate Change Date	Monthly* Payment	Payment Begins On
1 - 60	2.00 %	(Date of Agreement) 10/26/2010	\$450.47	11/09/2010
61 - 213	4.37 %	10/09/2015	\$518.96	11/09/2015

Borrower also agrees to pay in full \$4,816.50, which is the sum of (1) the Deferred Principal Balance and (2) Deferred Interest (the "Total Deferred Payment Amount"), plus any other amounts still owed by the earliest of: (i) the date I sell or transfer an interest in the Property, (ii) the date I pay the entire Interest Bearing Principal Balance, or on (iii) the maturity date ("Maturity Date").

2. **Remaining Term:** If Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement on the "Maturity Date", those amounts will be immediately due and payable on the Maturity Date by the Borrower.

☒ If checked, the new Maturity Date is the 9th day of July, 2028.

3. **Place of Payment:** Borrower must continue to make the monthly payments in the manner and at such place as Lender may require.
4. 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.

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.



5. 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 of this Agreement:

- (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; and
- (b) all terms and provisions of any adjustable rate 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.

6. 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 in 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 this 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 any 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.
- (e) 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.



201010280039  
Skagit County Auditor

Except where otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by this Agreement.

In Witness Whereof, Lender and Borrower have executed this Agreement.

AMERICAN GENERAL HOME EQUITY INC.

Name of Lender

By: Marcus McKay

[Signature] 10/26/10  
Witness Signature Date

[Signature] (Seal)  
Borrower James P. Shira

[Signature] (Seal)  
Borrower Catherine S. Shira

[Signature] 10/26/10 (Seal)  
Witness Signature Date



STATE OF WASHINGTON, King COUNTY ss:

On this 26th day of October, 2010, before me, the undersigned,  
a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared

James P. Shira and Catherine S. Shira,  
Husband and wife  
to me known to be the individual(s) described in and who executed the foregoing instrument, and  
acknowledged to me that he / she / they signed and sealed the said instrument as his / her / the free and  
voluntary act and deed, and for the uses and purposes therein mentioned.

WITNESS my hand and official seal affixed the day and year in this certificate above written.

Shelise Beckett Thoren Beckett  
My Commission expires: 03-15-11 Notary Public in and for the State of Washington  
residing at: King



201010280039  
Skagit County Auditor

10/28/2010 Page

5 of

5 12:25PM