

After recording please return to:  
Boeing Employees' Credit Union  
Mortgage Servicing Department  
12770 Gateway Drive  
Tukwila, WA 98168



201011230018

Skagit County Auditor

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

Assessor's Property Tax Parcel or Account Number: **350815-2-004-0204**  
Abbreviated Legal Description: **Tracts 4, 5 and 6, SP#124-78**

This Loan Modification Agreement ("Agreement"), made this 9th day of November, 2010, between Terry W. Ketcham As His Separate Estate, ("Borrower") and Boeing Employees' Credit Union ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), and Timely Payment Rewards Rider, if any, dated November 9, 2009 and Electronically Recorded 11/17/2009 in Document/Instrument Number 200911170057 at the Records of Skagit County, Washington and (2) the Note, bearing the same date as, and secured by, the Security Instrument, (County and State, or other Jurisdiction) which covers the real and personal property described in the Security Instrument and defined therein as the "Property", located at 45152 S Brooks Road, Concrete, WA 98237, Skagit County.  
(Property Address)

the real property described being set forth as follows:

Tracts 4, 5 and 6, SKAGIT COUNTY SHORT PLAT NO. 124-78, as approved January 26, 1978 and recorded January 26, 1978, in Volume 2 of Short Plats, page 182, under Auditor's File No. 872671, records of Skagit County, Washington; being a portion of Government Lots 4 and 5 and the Southwest Quarter of the Northwest Quarter of Section 15, Township 35 North, Range 8 East of the Willamette Meridian. Situated in Skagit County, Washington

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 November 9, 2010, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$325,000, 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 6.000%, from November 9, 2010. Borrower promises to make monthly payments of principal and interest of U.S. \$1,972.76, beginning on the 1st day of April, 2011, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. The yearly rate of 6.000% will remain in effect until principal and interest is paid in full. If on March 1, 2040, (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.

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 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) 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.



Terry W Ketcham (Seal)  
Terry W Ketcham -Borrower

[Space Below This Line For Acknowledgments]

ACKNOWLEDGMENT

State of Washington  
County of Skagit

On this day personally appeared before me, Terry W. Ketcham As His Separate Estate, to me known to be the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he (she or they) signed the same as his (her or their) free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 12 day of November 2010



(Seal)

Lynette M Gentry  
Signature of Officer  
Lynette M Gentry  
Printed Name  
Notary  
Title of Officer  
Concrete, WA  
Place of Residence of Notary Public  
My Commission Expires 4-1-12



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Hamilton McJunkin (Seal)  
Hamilton McJunkin - Lender

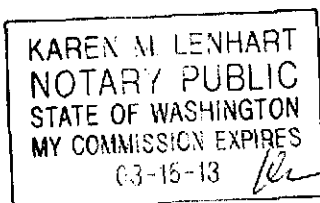
By: Hamilton McJunkin, Secondary Marketing Manager

ACKNOWLEDGMENT

State of Washington §  
County of King §

On this day personally appeared before me Hamilton McJunkin, to me known to be the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he (she or they) signed the same as his (her or their) free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 15<sup>th</sup> day of November, 2010



Karen M. Lenhart

Signature of Officer

KAREN M. LENHART

Printed Name

Notary

Title of Officer

Tacoma WA

Place of Residence of Notary Public

My Commission Expires: 3-15-2013



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