



201210110040

Skagit County Auditor

10/11/2012 Page 1 of 2 8:57AM

WHEN RECORDED RETURN TO:
North Coast Credit Union
1100 Dupont St.
Bellingham, WA 98225

MODIFICATION AGREEMENT (LN #437430021)

Grantor(s): **KENNETH W. MACKENZIE**

Grantee: **NORTH COAST CREDIT UNION**

Legal Description: LOT 2, SHORT PLAT NO. 41-83, APPROVED FEBRUARY 17, 1984, RECORDED FEBRUARY 22, 1984, IN VOLUME 6 OF SHORT PLATS, PAGE 122, UNDER AUDITOR'S FILE NO. 8402220081, BEING A PORTION OF GOVERNMENT LOT 2, SECTION 5, TOWNSHIP 36 NORTH, RANGE 4 EAST OF THE WILLAMETTER MERIDIAN. SITUATED IN SKAGIT COUNTY, WASHINGTON.

Assessors Property Tax Parcel or Account No.: **P48857 36040500020106**

On or about **JULY 9, 2010**, Grantor(s) executed and delivered to North Coast Credit Union, as Beneficiary, a Deed of Trust encumbering the real property described above.

This Deed of Trust was recorded on **JULY 14, 2010**, at **Mt. Vernon, WASHINGTON** in the records of Skagit County (Auditor's file number 201007140058). The Deed of Trust secures a promissory note or loan agreement ("Loan Agreement") in the original amount of **\$220,000.00**. The current principal balance owing on the Loan Agreement is **\$213,348.66**.

MODIFICATION. Grantor(s) and Lender hereby modify the Loan Agreement and Deed of Trust as follows:

- Credit Limit Decrease:** N/A
- Interest Rate:** 3.5% (5/1 ARM) with first rate change 9/1/17 and then each year thereafter. Rate is tied to 1 year weekly CMT with a margin of 3.0%, floor is 3.5% and ceiling is 6.5%.
- Payment Schedule:** Three hundred thirty five (335) principal and interest payments of \$998.74 plus escrow of \$318.15 for a total of \$1,316.89 beginning October 1, 2012.
- Extension:** Maturity to remain the same of August 1, 2040
- Assumption:** The following person(s) or entity(s), referred to below as the "Assuming Party," has assumed and is now liable for the indebtedness and obligations of Trustor under the Deed of Trust.
- Other:**
- Fee:** Borrower agrees to pay Credit Union a fee of **\$250.00** (for recording and title and other fees) in exchange for this modification. Borrower hereby authorizes Credit Union to deduct the fee from Borrower(s) share account with Credit Union, unless Borrower pays the fee separately to Credit Union upon signing this Modification Agreement.

CONTINUING VALIDITY. Except as previously modified above, the terms of the original Deed of Trust and Loan Agreement shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust and the Loan Agreement as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the Loan Agreement. It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers, and endorsers to the Loan Agreement, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification but also to all such subsequent actions.

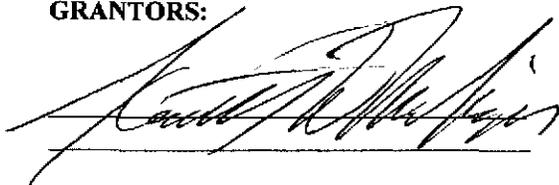
FORBEARANCE/ NO WAIVER OF DEFAULT. The parties agree that this Modification Agreement is made following a default in performance by Borrower, on (date) (the Default) and that the execution of this Forbearance Agreement does not constitute a cure of the Default, but is a conditional forbearance whereby Lender agrees not to pursue its remedies based on the Default so long as the terms of the Modification are fulfilled. Upon the breach by Borrower of any term or provision of this Modification Agreement, this Agreement will be immediately terminated, and Lender will be free to pursue its remedies under the Loan Documents based upon the Default.

DATED this 28 of September 2012

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION AGREEMENT AND GRANTOR AGREES TO ITS TERMS.

Oral agreements or oral commitments to loan money, extend credit, or to forbear from enforcing repayment of a debt are not enforceable under Washington law.

GRANTORS:



GRANTEE: NORTH COAST CREDIT UNION

By: Jalen Bann
Title: Loan Servicing Manager

STATE OF WASHINGTON
County of Skagit

On this 28 day of Sept, 2012, before me, a Notary Public in and for said state, personally appeared Kenneth W. Mackenzie known to me to be the person who executed the Modification Agreement and acknowledged to me that he executed the same for the purposes therein stated.



Rose Mary Wilson
Notary Public for Notary Public
My Commission Expires 07-03-2016



201210110040
Skagit County Auditor