



201301160018
Skagit County Auditor

1/16/2013 Page 1 of 6 8:43AM

COVER SHEET

RETURN TO:

Patrick M. Hayden
Attorney at Law
P. O. Box 454
Sedro-Woolley, WA 98284

DOCUMENT TITLE(S) (or transactions contained herein):

1. MODIFICATION AGREEMENT

REFERENCE NUMBERS(S) OF DOCUMENTS ASSIGNED OR RELEASED:

- 1. Skagit County AF No. 200406110109 (Deed of Trust)
- 2. Skagit County AF No. 200706290197 (Assumption Agreement and Note Modification)

GRANTOR(S) (Last name, first name and initials):

- 1. Bennett, Michael
- 2. Bennett, Carolyn

GRANTEE(S) (Last name, first name and initials):

- 1. Guffie, Doyle
- 2. Guffie, Mary

LEGAL DESCRIPTION (Abbreviated: i.e., lot, block, plat or quarter, quarter, section, township and range).

Ptn. Lot 6 "Plate No. 2 Sedro Home acreage" (aka Tracts, "A", "C", and "D" of Short Plat SW - 02-83)

ASSESSOR'S PARCEL/TAX I.D. NUMBER: P77152, P77154 and P77155

ORIGINAL

UNOFFICIAL DOCUMENT

After recording return to:

Patrick M. Hayden
Law Office
PO Box 454
Sedro-Woolley, WA 98284

MODIFICATION AGREEMENT

This MODIFICATION AGREEMENT (the "Agreement") dated below between Michael Bennett and Carolyn Bennett, husband and wife, whose address is 1125 Orchard Ave, Snohomish, WA 98290 ("Bennett"), and Doyle Guffie and Mary Guffie, husband and wife, whose address is 7674 Alpine Lane, Sedro-Woolley, WA 98284 ("Guffie").

WITNESSETH:

THAT, WHEREAS, Ryan Ostrom and Sheila Ostrom, husband and wife ("Ostrom") are the original makers of that certain Promissory Note (the "Note") dated June 8, 2004, in the original principal sum of Five Hundred Seventy Thousand and no/100ths Dollars (\$570,000.00) made to the order of Doyle Guffie and Mary Guffie, husband and wife; and

WHEREAS, Guffie was and is the original holder of the interest of beneficiary in that certain Deed of Trust executed June 8, 2004 by Ostrom, recorded on June 11, 2004, in Auditor's File No. 200406110109, in the records of Skagit County, Washington (the "Deed of Trust") securing the Note and encumbering, that certain real property described in the Deed of Trust as follows, originally owned by Guffie and sold to Ostrom and described as follows:

Tracts "A", "C" and "D", Sedro-Woolley Short Plat No. 0283, approved March 8, 1983 and recorded March 9, 1983 in Volume 6 of Short Plats, page 51, under Auditor's File No. 83090021; being located in Lot 6 "PLATE NO. 2, SEDRO HOME



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ACREAGE, SKAGIT CO, WASH.”, as per plat recorded in Volume 3 of Plats, page 60, records of Skagit County, Washington; Situated in Skagit County, Washington.

WHEREAS, Ostrom filed bankruptcy in US Bankruptcy Court for the Western District of Washington, Case No. 06-14138, and an order was entered in that case dated June 8, 2007, authorizing the Trustee to sell the real property described above to Bennett free and clear of all liens except the above-referenced note and deed of trust, which Bennett shall pay at closing or assume;

WHEREAS, by instrument recorded in the records of Skagit County, Washington, the Bankruptcy Trustee executed a deed conveying all right, title and interest in said real property to Bennett, subject to the obligations set forth in the note, modification thereof, and deed of trust assumed by Bennett;

WHEREAS, Bennett assumed the obligations of Ostrom under the Note and Deed of Trust and Guffie accepted Bennett as the principal obligor under the Note and Deed of Trust upon modification of the Note and otherwise on the terms set forth in an instrument recorded in Skagit County Auditor's File No. 200706290197;

WHEREAS, Bennett and Guffie have again agreed to modify the note secured by said deed of trust as set forth herein;

NOW, THEREFORE, in consideration of the promises and obligations set forth herein, the mutual premises herein contained and other good and valuable consideration, the legal sufficiency of which are hereby acknowledged, Bennett and Guffie agree as follows:

1. Assumption. Bennett hereby reaffirms, assumes and agrees to pay and perform, without limitation, the Obligations under the Note and Deed of Trust as amended, and to be bound by all the terms and conditions of the Note and Deed of Trust and amendments thereto as if the Documents had originally been executed by Bennett, except as modified by agreement. Each of the documents shall remain in full force and effect; and all of the security for the payment and performance of the Obligations shall remain as security therefore, except as modified by agreement. Nothing contained herein is intended to or shall be construed to release, affect the priority of, or otherwise impair any of the security for the payment and performance of the Note and Deed of Trust. Bennett hereby ratifies and grants Guffie the liens and security interests set forth in the Note and Deed of Trust.

2. Modification of Note. The Note shall be and is hereby modified to provide as follows:

a. *Principal Balance*. The unpaid principle balance is Five Hundred Fifty Nine Thousand Five Hundred Ninety Four and 10/100 Dollars (\$559,594.10) as of December 1, 2012.

b. *Interest Rate*. The note shall bear interest at **four percent (4%)** per annum if current, eight percent (8%) for, and only for, the first thirty (30) days after December 1, 2017 if not paid



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in full by said date, and twelve percent (12%) per annum thereafter, or if in default, including failure to pay any installment when due.

c. *Commencement of Interest.* Interest shall commence on December 1, 2012 in the principal amount.

d. *Monthly Payment and Balloon Payment Date.* The Note shall be paid monthly as follows: Two Thousand Nine Hundred Fifty Three and 74/100 Dollars (\$2,953.74) or more on January 1, 2013 and Two Thousand Nine Hundred Fifty Three and 74/100 Dollars (\$2,953.74) or more on the 1st day of each month thereafter until December 1, 2017, when the entire balance together with any and all interest accrued thereon shall be due and payable in full. Any payment shall be first be applied to interest, and the balance shall be applied to principal. Bennett may prepay the note in full or part at any time, but shall make the minimum payment each month until paid in full.

e. *Acceleration.* If Bennett fails to make any payment owed hereunder, or if Bennett defaults under any Deed of Trust or any other instruments securing repayment, and such default is not cured within 30 days after written notice of such default, then Holder may, at its option, declare all outstanding sums owed on this Note to be immediately due and payable, in addition to any other rights or remedies that Holder may have under the Deed of Trust or other instruments securing repayment of this Note.

f. *Due on Sale.* The real property described in the Deed of Trust shall not be sold or conveyed by Bennett during the term of the Note and Deed of Trust without approval by Guffie of the purchaser's credit worthiness, which approval shall not be unreasonably withheld. Violation of this condition shall constitute default.

g. *Integration.* This modification to the Note shall be deemed to form a part of the Note and previous Assumption Agreement and Note Modification and is hereby incorporated into the Note and Note Modification to become a part thereof and shall be deemed to supplement and amend the terms and conditions of said documents. This modification is a revision only and not a notation, and, except as modified above, all other terms and conditions of the Note and Note Modification shall remain in full force and effect.

3. Further Performance. Bennett shall execute and deliver to Guffie such further instruments and do such things as are necessary or desirable, in the reasonable judgment of Guffie, to effect the intent of this Agreement and to secure to Guffie the benefit of all rights and remedies conferred upon Guffie by the terms of this Agreement. In particular, the parties shall execute such forms as are necessary to provide for collection of the Note at the bank of Guffie's choice, in Skagit County, Washington.

4. Governing Law. Bennett and Guffie hereby agree that this Agreement shall be interpreted, construed and enforced according to the laws of the State of Washington.

5. Successors and Assigns. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective representatives, successors and assigns.

6. Amendments in Writing. This Agreement, and any provisions hereof, may not be modified, amended, waived, extended, changed, discharged or terminated orally or by any act or failure to act on the part of Bennett or Guffie, but only by an agreement in writing



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signed by the party against whom enforcement of any modification, amendment, waiver, extension, change, discharge or termination is sought.

7. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, parties have executed this Agreement this 1st day of ~~June, 2007.~~ DECEMBER, 2012.

Michael Bennett
Michael Bennett *CSB MS*

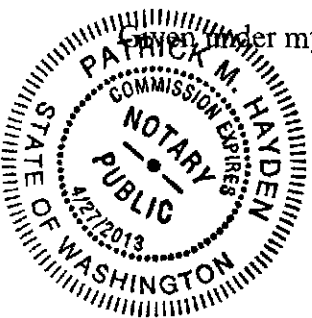
Carolyn Bennett
Carolyn Bennett

Doyle Guffie
Doyle Guffie

Mary Guffie
Mary Guffie

State of Washington)
County of Skagit) ss.

On this day personally appeared before me Michael Bennett and Carolyn Bennett, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.



Given under my hand and official seal this 10 day of Jan, 2012.

Patrick M. Hayden
Notary Public in and for the State of Washington, residing at Sedro Woolley
My Commission Expires: 7.27.13
Print Name Patrick M. Hayden

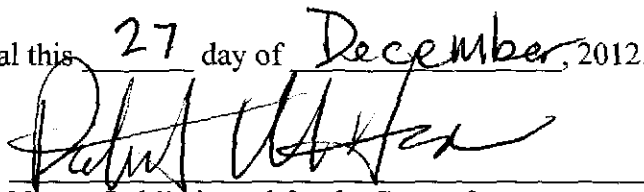


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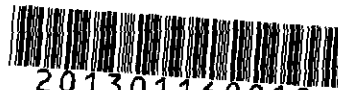
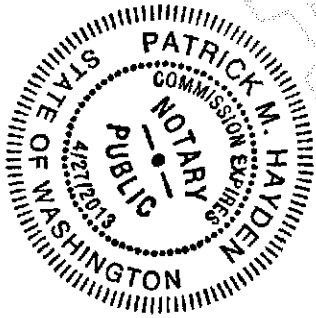
State of Washington)
) ss.
County of Skagit)

On this day personally appeared before me Doyle Guffie and Mary Guffie, to me known to be the individuals described in and who executed the within and foregoing instrument, and acknowledged that they signed the same as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 27 day of December, 2012.



Notary Public in and for the State of
Washington, residing at Sedro Woolley
My Commission Expires: 8-27-13
Print Name Patrick M. Hayden



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