



RETURN ADDRESS:
WILLIAM M. ZINGARELLI, P/S
P.O. Box 356
Stanwood, WA 98292

TYPE OF DOCUMENT:
LOAN MODIFICATION AND EXTENSION
AGREEMENT (re Deed of Trust)

Grantor/Borrower:

1. SCHOT, Harald N.
2. SCHOT, Julie Ann Lewis

Grantee/Assignee/Beneficiary:

1. SAVINSKY, Martin W.

Legal Description: PARCEL B OF SURVEY AF#200207100015 AKA THAT PORTION OF GOVERNMENT LOT 2 IN SECTION 31, TOWNSHIP 33 NORTH, RANGE 5 EAST, W.M., DESCRIBED AS FOLLOWS: BEGINNING AT THE MOST EASTERLY CORNER OF THAT TRACT OF LAND COMMONLY KNOWN AS THE MASONIC & IOOF CEMETERY TRACT, AS CONVEYED BY DEED DATED MAY 16, 1912, FILED JUNE 11, 1912, UNDER AUDITOR'S FILE NO. 91728 AND RECORDED IN VOLUME 88 OF DEEDS, PAGE 587; THENCE IN AN EASTERLY DIRECTION ALONG THE SOUTHERLY LINE OF THE COUNTY ROAD (NOW STATE HIGHWAY), 198 FEET; THENCE SOUTHWESTERLY PARALLEL WITH THE SOUTHEASTERLY LINE OF SAID CEMETERY TRACT AS THUS CONVEYED TO THE WEST LINE OF SAID GOVERNMENT LOT 2, THENCE NORTH ALONG SAID WEST LINE TO AN INNER CORNER OF SAID CEMETERY TRACT AS THUS CONVEYED; THENCE NORTHEASTERLY ALONG THE SOUTHEASTERLY LINE OF SAID CEMETERY TRACT AS THUS CONVEYED TO THE POINT OF BEGINNING. EXCEPT THAT STRIP OF LAND 50 FEET WIDE CONVEYED TO ENGLISH LUMBER COMPANY, A CORPORATION, BY DEED DATED NOVEMBER 25, 1919, FILED DECEMBER 4, 1919, UNDER AUDITOR'S FILE NO. 137414, AND RECORDED IN VOLUME 115 OF DEEDS, PAGE 406.

XrefID: 330531-0-008-0001
Parcel Number: P18352

AF # 201109120037

**LOAN MODIFICATION AND
EXTENSION AGREEMENT
(re Deed of Trust)**

UNOFFICIAL DOCUMENT

**LOAN MODIFICATION
AND
EXTENSION
AGREEMENT**

\$160,000.00

October 12, 2016

THIS AGREEMENT is by and between Harald N. Schot and Julie Anne Lewis Schot (hereinafter referred to as "Borrowers"), and the Martin W. Savinsky, as his separate property, (hereinafter referred to as the "Holder"), and shall have an effective date as of the date it is fully executed by all of the parties hereto.

WITNESSETH:

WHEREAS, Borrower previously executed a Promissory Note in an original principal amount of One Hundred Thousand and no/100 Dollars (\$100,000.00) dated September 12, 2011, a copy of which is attached hereto (hereinafter referred to as the "Note"); and

WHEREAS, a Deed of Trust securing said Note was recorded on September 12, 2011 under Skagit County Auditor's File No. 201109120037, a copy of which is attached hereto; and

WHEREAS, Borrowers desire to increase the amount of the Note to One Hundred Sixty Thousand Dollars (\$160,000.00); and

WHEREAS, Holder agrees to extend additional credit to Borrowers; and

WHEREAS, the Note is current and in good standing; and

WHEREAS, the title is free of all other liens and/or encumbrances; and

WHEREAS, Borrowers and Lender wish to modify the Note in accordance with the terms and conditions contained herein.

NOW THEREFORE, in consideration of the foregoing premises and the terms and conditions, provisions and covenants contained herein, Borrowers and Holder do hereby agree as follows:

1. The Note shall be modified and extended as specified herein below.
2. Borrowers shall provide a Standard ALTA Title Policy naming Holder as insured for the full amount of the modified Promissory Note. Holder shall have the option to review and accept any conditions contained therein.
3. Borrowers hereby agree to maintain the premises as a commercial investment and not to occupy it as a primary residence.
4. The Principal amount of the Note shall be increased to One Hundred Sixty Thousand Dollars (\$160,000.00).
5. The interest rate of the Note shall be increased to six percent (6%) per annum.
6. Payments shall be amortized over thirty (30) years.
7. Borrowers shall make monthly payments of principal and interest in the amount of Nine Hundred Fifty Nine Dollars and Twenty Eight cents (\$959.28) beginning October 12, 2016.
8. The entire balance of the Note as modified together with any and all interest accrued thereon shall be due and payable in full on the 12th of September, 2023, which is the modified and extended maturity date for the Note.
9. Borrowers agree to make the payment specified in Section 7 above, and understand and agree that:
 - a. Borrowers do not have any defenses, set-offs or counterclaims to the amount due and owing to Holder under the Note as modified herein;
 - b. All the rights, remedies, stipulations and conditions contained in the Note, and any and all mortgages securing repayment thereof shall also apply to any default in or failure to pay the modified payments required hereunder;
 - c. All costs and expenses incurred by Lender in connection with this Agreement shall be paid in cash monies by Borrowers, and shall not be added to amounts to be paid under the Note as amended and modified herein; and

d. Borrowers shall make and execute any and all other documents as may be necessary or required to effectuate the terms and conditions of this Agreement.

10. Save and except for the modifications contained herein, the terms, conditions and provisions of the Note, and any and all mortgages securing repayment thereof, shall continue in full force and effect.

11. **IN WITNESS WHEREOF**, the parties hereto have executed this Agreement on the day and date set forth below.

Borrower Signature:

Borrower Signature:

HARALD N. SCHOT

JULIE ANNE LEWIS-SCHOT

Dated: 10/14/16

Dated: 10/12/16

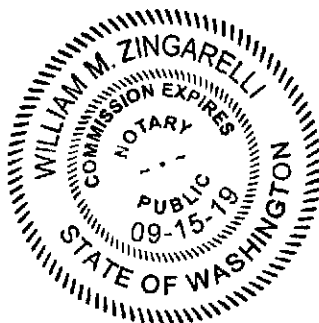
STATE OF WASHINGTON)

) ss.

COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that HARALD N. SCHOT and JULIE ANNE LEWIS-SCHOT signed this instrument and acknowledged it to be their free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: October 12, 2016



NOTARY PUBLIC in and for the State of Washington

My commission expires: 9-15-2019

Holder Signature:

Martin W Savinsky

MARTIN W. SAVINSKY

Dated: 9/29/16

Colorado
STATE OF WASHINGTON)
Adams
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that MARTIN W. SAVINSKY signed this instrument and acknowledged it to be his free and voluntary act for the uses and purposes mentioned in the instrument.

DATED: 9/29/16

MEGAN PROVOST
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20094039950
MY COMMISSION EXPIRES 01/07/2018

Megan Provost
NOTARY PUBLIC in and for the
State of Washington Colorado
My commission expires: 01/07/18

ORIGINAL

PROMISSORY NOTE

\$100,000.00

September 12, 2011

Mount Vernon, WA

FOR VALUE RECEIVED, Harald N Schot and Julie Anne Lewis-Schot, Husband and Wife, hereinafter "Maker" promises to pay to Martin W. Savinsky, as his separate property, hereinafter "Holder", or order, at 16407 SE 44th Pl, Issaquah, WA, 98027, or other such place as may be designated by the Holder from time to time, the principal sum OF ONE HUNDRED THOUSAND AND NO/100 Dollars (\$100,000.00), with interest thereon from the 12th day of September, 2011 on the unpaid principal at the rate of Five percent (5%) per annum as follows:

- 1. **INSTALLMENT PAYMENTS:** Maker shall pay, (check one)
 - a. **NO INSTALLMENTS.** No installment payments are required.
 - b. **PRINCIPAL and INTEREST INSTALLMENTS**
 - c. **INTEREST ONLY PAYMENTS** on the outstanding principal balance.

(The following must be completed if "b" or "c" is checked)

The installment payments shall begin on the 12th day of October, 2011,

and shall continue on the 12th day of each succeeding: (check one)

- calendar month third calendar month sixth calendar month twelfth calendar month
- Other: _____

- 2. **DUE DATE:** The entire balance of this Note together with any and all interest accrued thereon shall be due and payable in full on the 11th day of September, 2016. At Makers option loan may be extended an additional 5 years with interest on the unpaid principal at the rate of Six percent (6%) per annum paid monthly.
- 3. **DEFAULT INTEREST:** After maturity, or failure to make any payment, any unpaid principal shall accrue interest at the rate of eighteen percent (18%) per annum OR the maximum rate allowed by law, whichever is less, during such period of Maker's default under this Note.
- 4. **ALLOCATION OF PAYMENTS:** Each payment shall be credited first to any late charge due, second to interest, and the remainder to principal.
- 5. **PREPAYMENT:** Maker may prepay all or part of the balance owed under this Note at any time without penalty.
- 6. **CURRENCY:** All principal and interest payments shall be made in lawful money of the United States.

7. **LATE CHARGE:** If Holder receives any installment payment more than _____ days (15 days if not filled in) after its due date, then a late payment charge of \$ _____, or five percent (5%) of the installment payment (5% of the installment payment if neither is filled in) shall be added to the scheduled payment.

8. **DUE ON SALE: (OPTIONAL-Not applicable unless initialed by Holder and Maker to this Note)** If this Note is secured by a Deed of Trust or any other instrument securing repayment of this Note, the property described in such security instruments may not be sold or transferred without the Holder's consent. Upon breach of this provision, Holder may declare all sums due under this Note immediately due and payable, unless prohibited by applicable law.

Maker (Initials)

MWS

Holder (Initials)

9. **ACCELERATION:** If Maker fails to make any payment owed under this Note, or if Maker defaults under any Deed of Trust or any other instruments securing repayment of this Note, and such default is not cured within _____ days (30 days if not filled in) 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.

10. **ATTORNEYS' FEES AND COSTS:** Maker shall pay all costs incurred by Holder in collecting sums due under this Note after a default, including reasonable attorneys' fees, whether or not suit is brought. If Maker or Holder sues to enforce this Note or obtain a declaration of its rights hereunder, the prevailing party in any such proceeding shall be entitled to recover its reasonable attorneys' fees and costs incurred in the proceeding (including those incurred in any bankruptcy proceeding or appeal) from the non-prevailing party.

11. **WAIVER OF PRESENTMENTS:** Maker waives presentment for payment, notice of dishonor, protest and notice of protest.

12. **NON-WAIVER:** No failure or delay by Holder in exercising Holder's rights under this Note shall be a waiver of such rights.

13. **SEVERABILITY:** If any clause or any other portion of this Note shall be determined to be void or unenforceable for any reason, such determination shall not affect the validity or enforceability of any other clause or portion of this Note, all of which shall remain in full force and effect.

14. **INTEGRATION:** There are no verbal or other agreements which modify or affect the terms of this Note. This Note may not be modified or amended except by written agreement signed by Maker and Holder.

15. **CONFLICTING TERMS:** In the event of any conflict between the terms of this Note and the terms of any Deed of Trust or other instruments securing payment of this Note, the terms of this Note shall prevail.

16. **EXECUTION:** Each Maker executes this Note as a principal and not as a surety. If there is more than one Maker, each such Maker shall be jointly and severally liable under this Note.

17. **COMMERCIAL PROPERTY:** (OPTIONAL-Not applicable unless initialed by Holder and Maker to this Note) Maker represents and warrants to Holder that the sums represented by this Note are being used for business, investment or commercial purposes, and not for personal, family or household purposes.

Maker (Initials)

Holder (Initials)

ORAL AGREEMENTS: ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, TO EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

18. **DEFINITIONS:** The word Maker shall be construed interchangeably with the words Borrower or Payer and the word Holder shall be construed interchangeably with the words Lender or Payee. In this Note, singular and plural words shall be construed interchangeably as may be appropriate in the context and circumstances to which such words apply.

19. **ADDITIONAL TERMS AND CONDITIONS:** (check one)

a. NONE

OR

b. As set forth on the attached "Exhibit A" which is incorporated by this reference.

(Note: If neither a or b is checked, then option "a" applies)

20. **THIS NOTE IS SECURED BY** **DEED OF TRUST,** **MORTGAGE,** _____
OF EVEN DATE.

Maker (signatures)

Maker's address for all notices given by Holder under this Note: 23113 State Route 9, Mount Vernon, WA, 98274

DO NOT DESTROY THIS NOTE

WHEN PAID this original Note together with the Deed of Trust securing the same, must be surrendered to the Trustee for cancellation and retention before any reconveyance can be processed.

EXHIBIT "A"

LPB/28A-05(1)
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A collection account for payments and accounting shall be set up with Adept Escrow of Spokane, WA. Normal Costs to setup and maintain this collection account shall be paid 50% by Maker and 50% by Holder. Returned check fees, any charges associated with default, and all charges for payoff, account closeout, or reconveyance shall be paid by Maker. An impound account for monthly payment of Real Estate Taxes is required.



201109120037
Skagit County Auditor

9/12/2011 Page 1 of 5 12:18PM

When recorded return to:

Martin W Savinsky
16407 se 44th pl
Issaquah, WA 98027

LAND TITLE OF SKAGIT COUNTY

140234-0

DEED OF TRUST

(For use in the State of Washington only)

THIS DEED OF TRUST, made this 12th day of September, 2011 between Harald N Schot and Julie Anne Lewis-Schot, Husband and Wife, as GRANTOR(S), whose address is 23113 State Route 9, Mount Vernon, WA, 98274, and LAND TITLE COMPANY OF SKAGIT COUNTY, as TRUSTEE, whose address is 111 East George Hopper Road, Burlington, WA 98233, and MARTIN W. SAVINSKY, as his separate property, as BENEFICIARY, whose address is 16407 SE 44th PL, Issaquah, WA 98027

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described Real property in the County of Skagit, State of Washington, described as follows:

That portion of Government Lot 2 in Section 31, Township 33 North, Range 5 East, W.M., described as follows: BEGINNING at the most Easterly corner of that tract of land commonly known as the Masonic & Ioof Cemetery Tract, as conveyed by deed dated May 16, 1912, filed June 11, 1912, under Auditor's File No. 91728 and recorded in Volume 88 of Deeds, page 587; thence in an Easterly direction along the Southerly line of the County road (now State Highway), 198 feet; thence Southwesterly parallel with the Southeasterly line of said Cemetery Tract as thus conveyed to the West line of said Government Lot 2; thence North along said West line to an inner corner of said Cemetery Tract as thus conveyed; thence Northeasterly along the Southeasterly line of said Cemetery Tract as thus conveyed to the point of beginning, EXCEPT that strip of land 50 feet wide conveyed to English Lumber Company, a corporation, by deed dated November 25, 1919, filed December 4, 1919, under Auditor's File No. 137414, and recorded in Volume 115 of Deeds, page 406. Situate in the County of Skagit, State of Washington.

(Also known as Parcel B of Survey recorded July 10, 2002, under Auditor File No. 200207100015).

Situs Address: 23104 State Route 9, Mount Vernon, WA 98274

Abbreviated Legal: Ptn Government L2, S 31, T 33 N, R 5 E, WM

Tax Parcel Number(s): 330531-0-008-0001/P18352

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues, and profits thereof.

This deed is for the purpose of securing performance of each agreement of Grantor(s) herein contained, and payment of the sum of One Hundred Thousand and no/100 Dollars (\$ 100,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor(s), and all renewals, modifications, and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of his/her/their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure, or improvement being built or about to be built thereon; to restore promptly any building, structure, or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor(s). The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property hereinabove described, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.



201109120037
Skagit County Auditor

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2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
4. Upon default by Grantor(s) in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor(s) had or had the power to convey at the time of his/her/their execution of this Deed of Trust, and such as he/she/they may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
7. In the event of the death, incapacity, disability, or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.



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8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

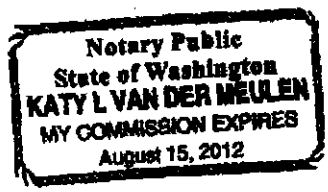
[Handwritten signature]

[Handwritten signature]

STATE OF WA)
COUNTY OF Skagit)-ss

I certify that I know or have satisfactory evidence that Harald Schot
(is/are) the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 9/12/11



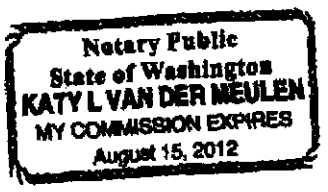
[Handwritten signature]

Notary Public in and for the state of WA
My appointment expires: 8/15/2012

STATE OF WA)
COUNTY OF Skagit)-ss

I certify that I know or have satisfactory evidence that Julie Lewis-Schot
(is/are) the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument and acknowledged it to be (his/her/their) free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 9/12/11



[Handwritten signature]

Notary Public in and for the state of WA
My appointment expires: 8/15/2012



REQUEST FOR FULL RECONVEYANCE - *Do not record. To be used only when note has been paid.*

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied, and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____



201109120037
Skagit County Auditor

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