



200008170044

Kathy Hill, Skagit County Auditor
8/17/2000 Page 1 of 6 11:51:01AM

AFTER RECORDING RETURN TO:
First Horizon Corporation, d/b/a
Sunbelt
5808 Lake Washington Boulevard,
Suite 400
Kirkland, WA 98033

Prepared by Peirson & Patterson,
L.L.P. and Co-Counsel Routh
Crabtree & Fennell

LAND TITLE COMPANY OF SKAGIT COUNTY

P-92424

Loan Number: 0014969562 [Space Above This Line For Recording Data]

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

This Loan Modification Agreement ("Agreement"), effective this 1st day of August, 2000, between Larry W. McClendon and Julie L. McClendon, husband and wife

("Borrower")

and First Horizon Corporation, d/b/a Sunbelt ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust or Deed to Secure Debt (the "Security Instrument"), dated February 25, 2000 and recorded in Instrument Number 200002290090, of the OFFICIAL Records of Skagit, Washington, [Name of Records] [County and State, or other Jurisdiction]

and (2) the Note bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property," located at 42101 Cedar Street, Sedro Woolley, WA 98284 [Property Address]

the real property described being set forth as follows:

SEE EXHIBIT 'A' ATTACHED HERETO AND MADE A PART

HEREOF

INITIALS *LW* INITIALS *JL* INITIALS _____ INITIALS _____
LOAN MODIFICATION AGREEMENT Page 1 of 3
(FNMA Modified Form 3179 2/88)



3179MU 03/99

Loan Number: 0014969562

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 August 1, 2000, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$ 160,000.00, consisting of the amount(s) loaned to the Borrower by the Lender and any interest capitalized to date.

2. The Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of the Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of 7.875%, from August 10, 2000. The Borrower promises to make monthly payments of principal and interest of U.S. \$ 1,160.11, beginning on the 1st day of October, 2000, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. If on September 1, 2030 (the "Maturity Date"), the Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, the Borrower will pay these amounts in full on the Maturity Date.

The Borrower will make such payments at P.O. Box 146, Memphis, TN 38101 or at such other place as the Lender may require.

3. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in the Borrower is sold or transferred and the Borrower is not a natural person) without the Lender's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument.

If the Lender exercises this option, the Lender shall give the 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 the Borrower must pay all sums secured by this Security Instrument. If the Borrower fails to pay these sums prior to the expiration of this period, the Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on the Borrower.

4. The Borrower also will comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, the Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that the 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 in

(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 or other instrument or document that is affixed to, wholly or partly 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.

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

First Horizon Corporation, d/b/a Sunbelt (Seal)
-Lender

Larry W. McClendon (Seal)
Larry W. McClendon -Borrower

By: *Richard J. Sheen*

Julie L. McClendon (Seal)
Julie L. McClendon -Borrower

(Seal)
-Borrower

(Seal)
-Borrower

_____ [See Attached Acknowledgments] _____



Loan Number: 0014969562

McClendon

EXHIBIT "A" - LEGAL DESCRIPTION - PAGE 1 of 1
LOT 11, BLOCK "L", "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.



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INDIVIDUAL ACKNOWLEDGMENT

Loan Number: 0014969562

To Loan Modification Agreement

State of WASHINGTON §
County of Skagit § ss.:
§

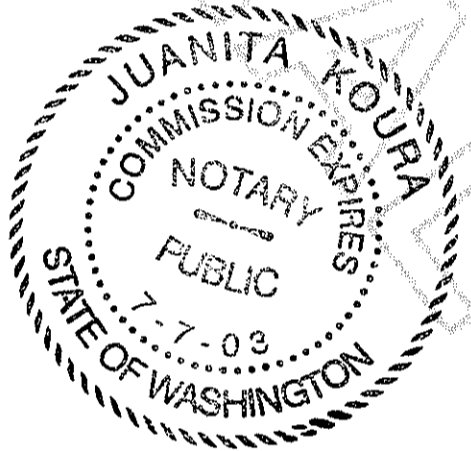
I certify that I know or have satisfactory evidence that Larry W. McClendon and Julie L. McClendon

[name of person]
is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument and acknowledged it to be (his/her) free and voluntary act for the uses and purposes mentioned in the instrument.

Dated: 8/11/00

Juanita Koura
(Signature)

(Seal)



Notary Public
(Title of Office)

Metz Park
(Place of Residence of Notary Public)



CORPORATE ACKNOWLEDGMENT

Loan Number: 0014969562

State of WASHINGTON

§

§ ss.:

§

County of King

I certify that I know or have satisfactory evidence that

Barbara J.

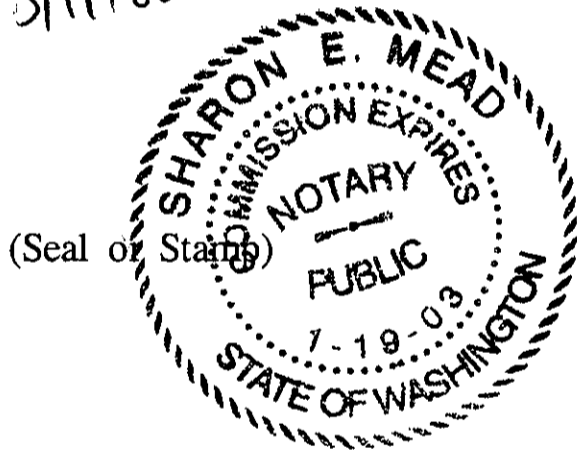
[name of person]

Eshenour
is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the Vice President

[type of authority, e.s., officer, trustee, etc.]

of First Horizon Corporation, d/b/a Sunbelt, a Kansas Corporation
[name of corporation or company] to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 8/11/00



Sharon E. Mead

(Signature)

Notary Public

(Title of Office)

My appointment expires: 1-19-03

Corporate Acknowledgment (Washington)

THE COMPLIANCE SOURCE, INC.

To Order Call: (972) 980-2178 · Fax (972) 392-2891

www.compliancesource.com



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