



200111190210

Skagit County Auditor

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Return to:
WASHINGTON FEDERAL SAVINGS

PO Box 97

Anacortes Wa 98221

Attn: _____

ISLAND TITLE COMPANY

A20727 ✓

[Space Above This Line For Recording Data]

050 200 246675-3

ADDITIONAL ADVANCE AGREEMENT

THIS ADDITIONAL ADVANCE AGREEMENT made and entered on November 16, 2001
by and between Francis A Orr & Rose Marie Orr Irrevocable Qualified Personal
Residence Trusts dated May 17, 2000, Francis A & Rose Marie Orr,
Trustees ("Borrower"/Grantor),
and Washington Federal Savings, a United States corporation ("Lender"/Beneficiary/Grantee).

RECITALS:

A. On or about July 5, 2001, Borrower, in connection with Loan number
50200246675-3, executed and delivered to Lender a Note (the "Original Note") in the original
principal sum of Seventy thousand dollars and no/100
(\$ 70,000.00), providing for interest on the unpaid balance at the initial rate of
Six and seven eights percent (6.875 %) per annum, and maturing on
August 1, 2016.

B. On or about the same date, Borrower executed and delivered to Lender, as security for the payment of
the Original Note, a Mortgage or Deed of Trust (the "Security Instrument"). The Security Instrument
was recorded in the office of the County Recorder, County Auditor or County Clerk of
Skagit County, State of Washington, on July 6, 2001
as Auditor's/Recorder's number 200107060126. The Security Instrument covers
the following described real property (the "Property").

See attached for complete legal description attached to and made a
part hereto.

Ptn of NW/4 of NW/4 25-35-1

Assessor's Property Tax Parcel/Account Number(s): 35012500380013

C. Borrower is indebted to Lender under the obligation evidenced by the Original Note, and Lender is the
owner and holder of the indebtedness evidenced by the Original Note.

Borrower's Initials _____

D. Borrower has requested and obtained approval from Lender for additional funds (the "Additional

Advance") in the amount of Thirty thousand dollars and no/100 (\$ 30,000.00) and has executed and delivered to Lender a Note (the "Additional Note") of

even date, in the original principal amount of the Additional Advance, providing for interest on the

unpaid balance at the rate of Six and seven eighths percent (6.875 %)

per annum, and maturing on August 1, 2016 . Borrower acknowledges the Additional

Advance as evidenced by the Additional Note is secured by the Security Instrument and is subject to the

terms of all other instruments delivered to Lender in connection with the Original Note and Security

Instrument, including particularly any Construction Loan Agreement or Land Loan Agreement.

E. Except as noted in this Agreement, the obligations evidenced by the Additional Note and the Original

Note are to be repaid in the same proportions and are to be subject to the same terms, provisions,

agreements, and stipulations.

F. Lender and Borrower have agreed that the loans evidenced by the Original Note and the Additional

Note shall be consolidated as to both debts and as a first priority lien as set forth below.

NOW, THEREFORE, as an integral part of the loan transaction related to the Additional Note, as a

condition to Lender making the Additional Advance, for valuable consideration, and in consideration of the

mutual promises, covenants, conditions, and stipulations set forth in this Additional Advance Agreement,

the parties agree as follows.

1. PRINCIPAL LOAN BALANCE. The unpaid principal balance owing under the Original Note after

application of the payment of \$ 625.00 plus Escrow Items, if any, due on

December 1, 2001 will be \$ 69,096.44 . Both the Original Note

and the Additional Note are secured by the Security Instrument, as modified by this Agreement. The

total principal of the Original Note as calculated above and the Additional Note, will be

\$ 99,096.44

2. CONSOLIDATION OF OBLIGATIONS. The debts evidenced by the Original Note and the

Additional Note and secured by the Security Instrument shall be and they are hereby merged and

consolidated to the same extent as if simultaneously loaned and advanced to Borrower.

3. DISBURSEMENT OF LOAN PROCEEDS; LIEN PRIORITY STATUS; NEW CONSOLIDATED

PAYMENT. Upon recordation of this Agreement, the net proceeds of the Additional Advance will be

disbursed to the order of Borrower (and each of them, if more than one). The debts evidenced by the

Original Note and the Additional Note shall together be and remain a first lien upon the Property

without priority of one over another, and shall secure the repayment of the present gross indebtedness

with interest on the unpaid balance. Said repayment shall be in accordance with all the terms and

provisions of the two Notes, subject to the terms and conditions of Paragraph 6 of this Additional

Advance Agreement.

4. INCORPORATION OF ADDITIONAL NOTE AND ADDITIONAL ADVANCE AGREEMENT

AS PART OF "LOAN DOCUMENTS". Any right, remedy, or security which is held by or available

to Lender in connection with either the Original Note, the Additional Note or the Security Instrument,

and including any right, remedy, or security provided by any Assignment of Rents and Income, or any

Construction Loan Agreement or Land Loan Agreement, shall apply to both the Original Note, the

Additional Note and the Security Instrument, irrespective of whether the instrument creating such right,

remedy, or security refers only to one of the instruments described in this Agreement, and regardless of

whether the instrument creating such right, remedy, or security was executed by less than all persons

identified as Borrower.

5. DEFAULT. Any default in either of the Original Note or Additional Note, under any other instrument

securing the payment of either of the Notes, under any instrument relating to or under any instrument

providing any right, remedy, or security in connection with either of the Notes or the Security

Instrument, shall constitute a default in and under all of the instruments referred to in this Paragraph.

6. PREFERENCE OF TERMS OF ADDITIONAL NOTE; NEW MATURITY DATE AND LOAN

INTEREST RATE. The terms of the Additional Note and of all instruments in any way related to the

loan associated with the Additional Note, including this Additional Advance Agreement, shall govern

and apply to the extent of any conflict or inconsistency whatsoever which may exist between such

instruments and the Original Note. Without limiting the general application of the foregoing, the

following shall apply:

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a. **NEW MATURITY DATE.** The Maturity Date set forth in the Additional Note shall modify and apply to the Original Note and the Security Instrument. The new Maturity Date on the entire loan, including the Original Note (as modified by this Additional Advance Agreement) and the Additional Note, is now and shall be August 1, 2016.

b. **NEW LOAN INTEREST RATE.** The Loan Interest Rate set forth in the Additional Note shall modify and apply to the Original Note and the Security Instrument. The new Loan Interest Rate on the entire loan, including the Original Note (as modified by this Additional Advance Agreement) and the Additional Note, is now and shall be Six and seven eighths percent (6.875 %)

7. **NEW PRINCIPAL AND INTEREST PAYMENT.** Effective with the payment due on January 1, 2002 the monthly principal and interest payment on the entire loan, including the Original Note and the Additional Note (as modified by this Additional Advance Agreement) will be \$ 896.00.

8. **SURVIVAL OF TERMS.** Except as set forth in this Additional Advance Agreement, all of the terms, covenants, and conditions of all of the instruments referred to herein shall remain in full force and effect. Notwithstanding any provision hereof which might be construed to the contrary, this Additional Advance Agreement shall in no way affect the validity, priority, or binding effect of the Security Instrument.

9. **BINDING EFFECT.** This Agreement shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of Lender and Borrower.

WASHINGTON FEDERAL SAVINGS

By: Barbara A. Rodger

Title: Assistant Manager

BORROWER'S ACKNOWLEDGEMENT OF RECEIPT AND ACCEPTANCE

The undersigned Borrower, and each of them, acknowledge receipt and accept the terms and conditions of the above stated Additional Advance Agreement.

Francis A. Orr
Francis A Orr, Trustee

Rose Marie Orr
Rose Marie Orr, Trustee

Francis A. Orr
Francis A Orr, Personally

Rose Marie Orr
Rose Marie Orr, Personally

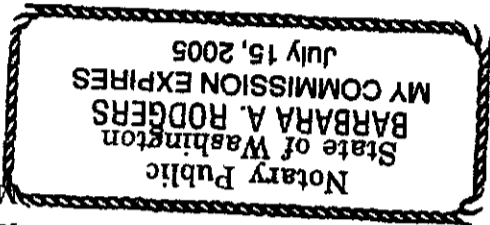
(Over for notary acknowledgements)

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My commission expires 7-17-05
residing at Anacortes
Notary Public in and for the State of Washington

(Seal or Stamp)

Dated: November 16, 2001

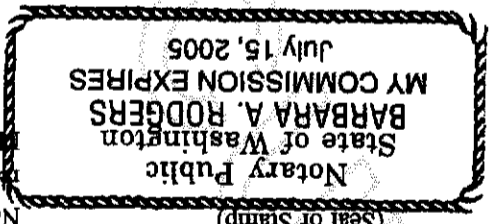
is/are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument, on each stated that (he/she/they) was/were authorized to execute the instrument and

Trust dated 5-17-00. (Name of the Party on Behalf of Whom the Instrument was Executed)
of Francis A Orr & Rose Marie Orr Irrevocable Qualified Personal Residence

(Type of Authority, e.g., Officer, Trustee)
[Name(s) of person(s)]
is/are the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument, on each stated that (he/she/they) was/were authorized to execute the instrument and

acknowledged it as the Trustees
Rose Marie Orr
Francis A Orr and

I certify that I know or have satisfactory evidence that
STATE OF Washington)
COUNTY OF Skagit)
ss.)
)



My commission expires 7-15-05
residing at Anacortes
Notary Public in and for the State of Washington

(Seal or Stamp)

Dated: November 16, 2001

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 the instrument.

[Name(s) of person(s)]
Francis A Orr and Rose Marie Orr

I certify that I know or have satisfactory evidence that
STATE OF Washington)
COUNTY OF Skagit)
ss.)
)

A tract of land in the Northwest Quarter of the Northeast Quarter of Section 25, Township 35 North, Range 1 East of the Willamette Meridian, described as follows:

Beginning at a point 230 feet North of the Southwest corner of the Northwest Quarter of the Northeast Quarter;
 thence North along the West line of said Northwest Quarter of the Northeast Quarter 114.3 feet, more or less, to the South line of a tract of land conveyed by Kay Whitney to City of Anacortes, by deed dated October 2, 1909 and recorded in Volume 81 of Deeds, page 250;
 thence North $73^{\circ}18'$ East along the South line of said City of Anacortes Tract, a distance of 277.7 feet;
 thence North to a point 15 feet South of the center line of 32nd Street produced;
 thence East parallel to and 15 feet South from the said center line of 32nd Street produced to a point 782 feet East of the West line of said Northwest Quarter of the Northeast Quarter;
 thence South 204 feet;
 thence West 192 feet;
 thence South 6 feet; thence West 590 feet to the point of beginning;

EXCEPT that portion thereof lying West of that certain road known as Hart Lake Road as conveyed to the City of Anacortes by deed recorded December 3, 1951, under Auditor's File No. 468818;

ALSO EXCEPTING THEREFROM that portion conveyed to the City of Anacortes by deed recorded May 2, 1989 under Auditor's File No. 8905020060, and being more particularly described as follows:

Commencing at the Northwest corner of Section 25, Township 35 North, Range 1 East of the Willamette Meridian;
 thence South $1^{\circ}33'55''$ West along the West line of said Section 25 a distance of 865.00 feet to intersect the Westerly projection of the centerline of 32nd Street Northeast;
 thence South $88^{\circ}02'23''$ East along said centerline a distance of 1,108.98 feet to intersect the centerline of D Avenue;
 thence South $88^{\circ}02'15''$ East along the centerline of 32nd Street Northeast a distance of 107.10 feet to the beginning of a tangent curve to the right having a radius of 450.00 feet;
 thence Southeasterly along the arc of said curve through a central angle of $24^{\circ}39'16''$ for an arc distance of 193.64 feet to a point of reverse curvature, the radius of said curve being 450.00 feet;
 thence Southeasterly along the arc of said curve through a central angle of $23^{\circ}01'42''$ for an arc distance of 180.87 feet;
 thence South $86^{\circ}24'39''$ East a distance of 265.31 feet to the beginning of a tangent curve to the left, having a radius of 3,000 feet;

thence Northeasterly along the arc of said curve through a central angle of $02^{\circ}05'46''$ for an arc distance of 109.76 feet;
 thence South $88^{\circ}30'26''$ East a distance of 625.09 feet to the beginning of a tangent curve to the left having a radius of 955.00 feet;
 thence Northeasterly along the arc of said curve through a central angle of $16^{\circ}37'54''$ for an arc distance of 277.22 feet to a point of reverse curvature, the radius of said curve being 955.00 feet;
 thence Northeasterly along the arc of said curve through a central angle of $07^{\circ}34'00''$ for an arc distance of 126.12 feet;
 thence North $07^{\circ}34'20''$ West radial to the arc of said curve a distance of 1.42 feet to the intersection point of the East right-of-way line on I Avenue and the South right-of-way line of 32nd Street Northeast, and the true point of beginning;
 thence South $88^{\circ}11'22''$ East along the existing South right-of-way line of 32nd Street Northeast a distance of 485.39 feet;
 thence South $01^{\circ}29'34''$ West a distance of 12.50 feet;
 thence North $88^{\circ}48'35''$ West a distance of 339.60 feet to the beginning of a tangent curve to the left having a radius of 927.50 feet;
 thence Southwesterly along the arc of said curve through a central angle of $09^{\circ}54'40''$ for an arc distance of 160.44 feet to intersect the East right-of-way line of I Avenue;
 thence North $24^{\circ}59'34''$ East along said East right-of-way line a distance of 34.53 feet to the South right-of-way line of 32nd Street Northeast and the true point of beginning.
 Encompassing an area of 8,100 square feet;

Situated in Skagit County, Washington.

- END OF EXHIBIT "A" -



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