

Return Address
OLD REPUBLIC
320 SPRINGSIDE DR
AKRON, OH 44333



200702260090
Skagit County Auditor

2/26/2007 Page

1 of

7 10:47AM

Document Title(s)

LOAN MODIFICATION AGREEMENT

Reference Number(s) of related documents:

200501200120

Grantors(s) – Last name, First name and Middle initial

Pfaff, Randy D
Nordby, Tara D

Grantees(s) – Last name, First name and Middle initial

Washington Mutual Bank

Legal Description – abbreviated form: ie lot, block, plat or section township

Lot 6 "Plat of Wilderness Village Div. No. 1" as per plat recorded in volume 10 of plats, pages 48, 49, and 50, records of Skagit County, Washington, situate in the county of Skagit, state of Washington

Assessor's Property Tax Parcel/Account Number

P78189

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

PREPARED BY:
MOSS CODILIS, L.L.P.
Two Greenwood Plaza
6560 Greenwood Plaza Boulevard, Suite 100
Englewood, CO 80111
Preparer: Aubrie Woods

Loan No. 0666628334

SPACE ABOVE THIS LINE FOR RECORDER'S USE

20726494

LOAN MODIFICATION AGREEMENT

This Loan Modification Agreement ("Agreement") is effective made this 28th day of **December 2006**, ("Effective Date") between **Randy D. Pfaff, an unmarried man and Tara D. Nordby, an unmarried woman**, (hereinafter, "the Borrower"), and **Washington Mutual Bank**, the Note holder. Together, the Borrower and the Note holder are referred to herein as "the Parties".

RECITALS

The Parties enter into this Agreement with reference to the following stipulated facts:

A. On January 13, 2005, Borrower purchased, re-financed or otherwise obtained an interest in a certain real property in Skagit County, Washington. In connection with the acquisition of the real property the Borrower delivered a certain promissory note dated January 13, 2005, in the original principal amount of \$148,000.00 ("Note").

B. The Note was and is secured by a deed of trust, mortgage, applicable riders, addenda or other security instrument ("Security Instrument"), dated January 13, 2005, and recorded January 20, 2005, as Auditor's File No. 200501200120, in the official records of **Skagit County** as a lien against the real property described in the Security Instrument, and located at 7323 Skagit View Drive, Concrete, Washington 98237 (the "Subject Property"), and is more particularly described as:

*LOT 6, "PLAT OF WILDERNESS VILLAGE DIV. NO. 1", AS PER PLAT RECORDED IN VOLUME 10 OF PLATS, PAGES 48, 49 AND 50, RECORDS OF SKAGIT COUNTY, WASHINGTON. SITUATE IN THE COUNTY OF SKAGIT, STATE OF WASHINGTON.
TAX ID #: P78189*

C. Borrower is the current owner of record of the Subject Property. No other persons or business entities have ownership, management or control of the Subject Property. Borrower has not assigned, transferred, mortgaged or hypothecated the Subject Property, or any fee estate therein, nor the rents, income and profits of the Subject Property as may be described in the Security Instrument, except as set forth in these recitals.



200702260090
Skagit County Auditor

D. Borrower has requested that the terms of the Note and Security Instrument be modified. The Parties have agreed to do so pursuant to the terms and conditions stated in this Agreement.

AGREEMENT

NOW, THEREFORE, In consideration of the mutual promises and agreements exchanged, the Parties hereto agree as follows:

1. **Incorporation of Recitals.** The Recitals are an integral part of this Agreement and are incorporated by reference herein.
2. **Unpaid Principal Balance.** The Parties agree that as of **January 1, 2007**, the unpaid principal balance of the Note and the Security Instrument is **\$145,660.60** (the "Unpaid Principal Balance").
3. **Capitalization.** The Borrower acknowledges that interest on the Unpaid Principal Balance has accrued but has not been paid and the Note holder, or the servicer on behalf of the Note holder, has incurred, paid or otherwise advanced taxes, insurance premiums and other expenses necessary to protect or enforce the interest of the Note holder or mortgagee and that such accrued and unpaid interest, costs and expenses in the total amount of **\$6,424.53** (the "Capitalized Amount") has been added to the indebtedness under the terms of the Note and Security Instrument, as of January 1, 2007.
4. **Modified Principal Balance.** When payments resume on **February 1, 2007**, the new balance due on the loan will be **\$152,085.13** ("Modified Principal Balance"), which consists of \$145,660.60 plus \$6,424.53.
5. **Reamortization.** The Modified Principal Balance will be reamortized over **337** months.
6. **Payment and Interest Adjustments.** Interest will be charged on the Modified Principal Balance at the interest rate of **6.900% per cent per annum** from **January 1, 2007** until **February 1, 2035**. The following terms and provisions of the original Note and Security Instrument are forever canceled, null and void, as of the date of this agreement:
 - a. all terms and provisions of the Note and Security Instrument (if any) providing for 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 or wholly or partially incorporated into, or is a part of, the Note or Security Instrument and that contains any such terms or provision as those referred to in (a) above.



200702260090
Skagit County Auditor

7. **Maturity Date.** If on February 1, 2035, ("Maturity Date"), Borrower still owes any amounts under the Note, Security Instrument or this Agreement, the Borrower shall pay these amounts in full on the Maturity Date.

8. **Payments; Delivery of Payments.** The Borrower promises to pay the Modified Principal Balance, plus interest, to the order of Washington Mutual. Borrower(s) shall make the Monthly Payments described as follows, or at such other place that Washington Mutual may designate:

Washington Mutual
19850 Plummer Avenue, Mail Stop N070206
Attention: Default Alternatives
Chatsworth, CA 91311

9. **Acceleration Upon Unauthorized Transfer.** The acceleration terms under the Note and Security Instrument are incorporated herein by reference.

10. **Effect of this Agreement.** Except to the extent that they are modified by this Agreement, the Borrower(s) hereby reaffirm all of the covenants, agreements and requirements of the Note and 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 obliged to make under the Security Instrument. Borrower(s) further agree to be bound by the terms and provisions of the Note and Security Instrument, as modified hereby.

11. **No Release.** Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and/or Security Instrument. Except as expressly provided in this Agreement, all of the terms, covenants agreements and the Note and Security Instrument will remain unchanged and the Parties will be bound by, and comply with, all of the terms and provisions of the instruments, as amended by this Agreement.

12. **Warranties.** Borrower does hereby state and warrant that the above described Note is valid and enforceable in all respects and is not subject to any claims, defenses or right of offset or credit except as herein specifically provided. Borrower does further hereby extend all liens and security interests on all of the Subject Property and any other rights and interests which now or hereafter secure said Note until said Note as modified hereby has been fully paid, and agree that this modification and extension will in no manner impair the Note or any of the liens and security interests securing the same and that all of the liens, equities, rights, remedies and security interests securing said Note shall remain in full force and effect and shall not in any manner be waived. Borrower further agrees that all of the terms, covenants, warranties and provisions contained in the original Note and Security Instrument are now and shall be and remain in full force and effect as therein written, except as otherwise expressly provided herein, until the Note is paid in full and all other obligations under the Security Instrument are fulfilled.



200702260090
Skagit County Auditor

13. **Further Assurances.** Borrower does further state and warrant that all of the recitals, statements and agreements contained herein are true and correct and that Borrower is the sole owner of the fee simple title to all of the Subject Property securing the Note.

14. **Acknowledgment by Borrower.** As part of the consideration for this Agreement, Borrower agrees to release and waive all claims Borrower might assert against the Note holder and or its agents, and arising from any act or omission to act on the part of the Note holder or it's agents, officers, directors, attorneys, employees and any predecessor-in-interest to the Note and Security Instrument, and which Borrower contends caused Borrower damage or injury, or which Borrower contends renders the Note or the Security Instrument void, voidable, or unenforceable. This release extends to any claims arising from any judicial foreclosure proceedings or power of sale proceedings if any, conducted prior to the date of this Agreement. Borrowers have and claim no defenses, counterclaims or rights of offset of any kind against Lender or against collection of the Loan.

15. **Bankruptcy Considerations.** Notwithstanding anything to the contrary contained in this Agreement, the Parties hereto acknowledge the effect of a discharge in bankruptcy that may have been granted to the Borrower prior to the execution hereof and that the Note holder may not pursue the Borrower for personal liability. However, the Parties acknowledge that the mortgagee/beneficiary retains certain rights, including but not limited to the right to foreclose its lien against the Subject Property under appropriate circumstances. The Parties agree that additional consideration for this Agreement is the Note holder's forbearance from presently exercising the rights and remedies of the Note holder and mortgagee under the Security Instrument. Nothing herein shall be construed to be an attempt to collect against the Borrower personally or an attempt to revive personal liability, if the Borrower has obtained a discharge of that liability from a United States Bankruptcy Court.

[signature pages follow]



200702260090

Skagit County Auditor

2/26/2007 Page

5 of

7 10:47AM

BORROWER(S):

Date: 1 3 07

Randy D. Pfaff
Randy D. Pfaff

Tara D. Nordby
Tara D. Nordby

Cynthia Gomez
Witness Signature
Cynthia Gomez
Print Name

Cynthia Gomez
Witness Signature
Cynthia Gomez
Print Name

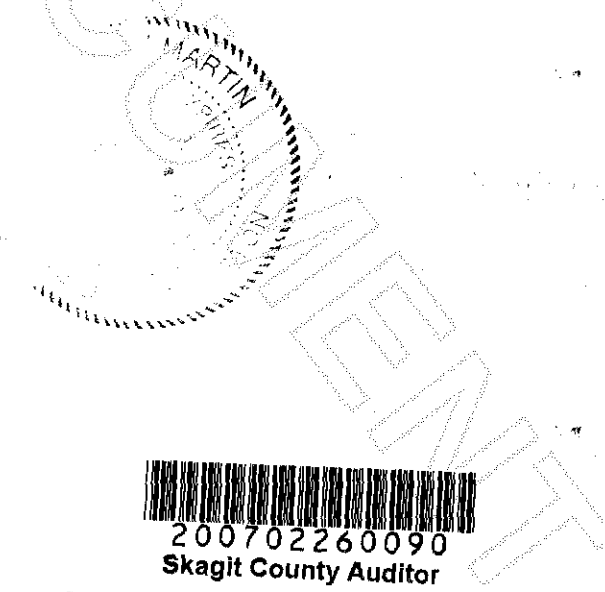
STATE OF Washington)
COUNTY OF Skagit) ss:

On January 3, 2007, before me, the undersigned, a Notary Public in and for said State, personally appeared Randy D. Pfaff, an unmarried man and Tara D. Nordby, an unmarried woman. [] personally known to me - OR - [] proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Kay Lynn Martin
Signature of Notary

My commission expires: 12-29-07



200702260090
Skagit County Auditor

