

**AFTER RECORDING MAIL TO:**

**Company Name:** RUTH RUHL, P.C.  
**Contact Name:** Recording Department  
**Address:** 2801 Woodside Street  
**City/State:** Dallas, Texas 75204



201211060020

Skagit County Auditor

11/6/2012 Page 1 of 8 10:25AM

**LOAN #:** 1423974615

**DOCUMENT TITLE:** LOAN MODIFICATION AGREEMENT

**REFERENCE NUMBERS OF RELATED DOCUMENTS:**

**Book/Liber:** N/A

**Page:** N/A

**Instrument No.:** 200706270203

**BETWEEN**

**GRANTOR(S):**

1. Rick Gilhousen
- 2.
- 3.
- 4.

**AND**

**GRANTEE:** LNV Corporation

**Abbreviated Legal Description as follows:** (i.e. lot/block/plat or section/township/range/quarter/quarter)

EAST 1/2 OF LOT 12, ALL OF LOTS 14 AND 15, BLOCK 4, GRIFFIN'S FIRST ADDITION, SKAGIT, WASHINGTON.

**Assessor's Property Tax Parcel/Account Number(s):** 36791-004-015-0002

**NOTE: The auditor/recorder will rely on the information on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.**

**After Recording Return To:**  
RUTH RUHL, P.C.  
Attn: Recording Department  
2801 Woodside Street  
Dallas, Texas 75204

**Prepared By:**  
RUTH RUHL, P.C. and  
Co-Counsel, Routh Crabtree Olsen, PS

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Loan No.: 1423974615

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

This Loan Modification Agreement ("Agreement"), effective this 1st day of July, 2012, between Rick Gilhousen, an unmarried man

and LNV Corporation

("Borrower")

amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), and Timely Payment Rewards Rider, if any, dated June 21st, 2007 and recorded in Book/Liber N/A, Page N/A, Instrument No. 200706270203, of the Official Records of Skagit County, Washington, 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 814 27th Street, Anacortes, Washington 98221

("Lender"),



201211060020

Skagit County Auditor

Loan No.: 1423974615

the real property described being set forth as follows:

THE EAST 1/2 OF LOT 12 AND ALL OF LOTS 14 AND 15, BLOCK 4, "GRIFFIN'S FIRST ADDITION TO THE CITY OF ANACORTEZ", AS PER PLAT RECORDED IN VOLUME 1 OF PLATS, PAGE 43, RECORDS OF SKAGIT COUNTY, WASHINGTON.

APN: 36791-004-015-0002

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 July 1st, 2012, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$283,233.77, consisting of the unpaid amount(s) loaned to Borrower by Lender plus any interest and other amounts capitalized.

2. Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Unpaid Principal Balance for the first three years at the yearly rate of 3.000% from July 1st, 2012, and Borrower promises to pay monthly payments of principal and interest in the amount of U.S. \$1,331.26, beginning on the 1st day of August, 2012. During the fourth year and continuing thereafter until the Maturity Date (as hereinafter defined), interest will be charged at the yearly rate of 8.100% from July 1st, 2015, and Borrower shall pay monthly payments of principal and interest in the amount of U.S. \$2,099.63, beginning on the 1st day of August, 2015 and shall continue the monthly payments thereafter on the same day of each succeeding month until principal and interest are paid in full. If on November 1st, 2037, (the "Maturity Date"), Borrower still owes amounts under the Note and Security Instrument, as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.



201211060020

Skagit County Auditor

Loan No.: 1423974615

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

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

4. 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 Borrower is obligated to make under the Security Instrument; however, the following terms and provisions are forever canceled, null and void, as of the specified date in paragraph No. 1 above:

(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, including, where applicable, the Timely Payment Rewards rate reduction, as described in paragraph 1 of the Timely Payment Rewards Addendum to Note and paragraph A.1. of the Timely Payment Rewards Rider. By executing this Agreement, Borrower waives any Timely Payment Rewards rate reduction to which Borrower may have otherwise been entitled; and

(b) all terms and provisions of any adjustable rate rider, or Timely Payment Rewards Rider, where applicable, or other instrument or document that is affixed to, wholly or partially 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.

5. Borrower understands and agrees that:

(a) All the rights and remedies, stipulations, and conditions contained in the Security Instrument relating to default in the making of payments under the Security Instrument shall also apply to default in the making of the modified payments hereunder.

(b) All covenants, agreements, stipulations, and conditions in the Note and Security Instrument shall be and remain in full force and effect, except as herein modified, and none of the Borrower's obligations or liabilities under the Note and Security Instrument shall be diminished or released by any provisions hereof, nor shall this Agreement in any way impair, diminish, or affect any of Lender's rights under or remedies on the Note and Security Instrument, whether such rights or remedies arise thereunder or by operation of law. Also, all rights of recourse to which Lender is presently entitled against any property or any other persons in any way obligated for, or liable on, the Note and Security Instrument are expressly reserved by Lender.

(c) 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.

(d) All costs and expenses incurred by Lender in connection with this Agreement, including recording fees, title examination, and attorney's fees, shall be paid by the Borrower and shall be secured by the Security Instrument, unless stipulated otherwise by Lender.

(e) Borrower agrees to make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement which, if approved and accepted by Lender, shall bind and inure to the heirs, executors, administrators, and assigns of the Borrower.



Loan No.: 1423974615

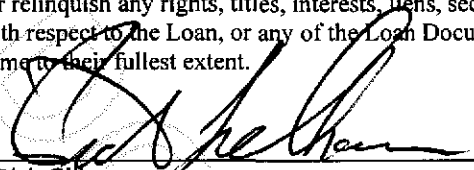
6. WAIVER.

AS A MATERIAL INDUCEMENT TO LENDER TO ENTER INTO THIS AGREEMENT, EACH BORROWER, ON BEHALF OF HIMSELF AND HERSELF AND HIS AND HER SUCCESSORS, ASSIGNS, HEIRS, LEGAL REPRESENTATIVES AND CONSTITUENTS (WHETHER OR NOT A PARTY HERETO) (BORROWER AND SUCH SUCCESSORS, ASSIGNS, HEIRS, LEGAL REPRESENTATIVES AND CONSTITUENTS BEING REFERRED TO HEREIN COLLECTIVELY AND INDIVIDUALLY, AS "OBLIGORS, ET AL."), HEREBY FULLY, FINALLY AND COMPLETELY RELEASE AND FOREVER DISCHARGE ORIGINAL LENDER, LENDER AND THEIR RESPECTIVE SUCCESSORS, ASSIGNS, AFFILIATES, SUBSIDIARIES, PARENTS, OFFICERS, SHAREHOLDERS, DIRECTORS, EMPLOYEES, ATTORNEYS AND AGENTS, PAST, PRESENT AND FUTURE, AND THEIR RESPECTIVE HEIRS, PREDECESSORS, SUCCESSORS AND ASSIGNS (COLLECTIVELY AND INDIVIDUALLY, "LENDER, ET AL.") OF AND FROM ANY AND ALL CLAIMS, CONTROVERSIES, DISPUTES, LIABILITIES, OBLIGATIONS, DEMANDS, DAMAGES, EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES), DEBTS, LIENS, ACTIONS AND CAUSES OF ACTION OF ANY AND EVERY NATURE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, ANY THEROF RELATING TO THE LOAN, AND WAIVE AND RELEASE ANY DEFENSE, RIGHT OF COUNTERCLAIM, RIGHT OF SET-OFF OR DEDUCTION TO THE PAYMENT OF THE INDEBTEDNESS EVIDENCED BY THE NOTE AND/OR THE MORTGAGE OR ANY OTHER LOAN DOCUMENT WHICH OBLIGORS, ET AL. NOW HAVE OR MAY CLAIM TO HAVE AGAINST LENDER, ET AL., OR ANY THEREOF, ARISING OUT OF, CONNECTED WITH OR RELATING TO ANY AND ALL ACTS, OMISSIONS OR EVENTS OCCURRING PRIOR TO THE EXECUTION OF THIS AGREEMENT.

7. AFFIRMATION.

Borrower hereby affirms, confirms, ratifies, renews and extends the debts, duties, obligations, liabilities, rights, titles, security interests, liens, powers and privileges created or arising by virtue of the Loan Documents, as each is amended hereby, until all of the indebtedness and obligations relating to the Loan have been paid and performed in full. Borrower confirms that Lender has not released, forgiven, discharged, impaired, waived or relinquished, and does not hereby release, forgive, discharge, impair, waive or relinquish any rights, titles, interests, liens, security interests, collateral, parties, remedies or any other matter with respect to the Loan, or any of the Loan Documents, but rather Lender is expressly retaining and reserving the same to their fullest extent.

Date July 23, 2012

 (Seal)  
Rick Gilhousen -Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Seal)  
-Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Seal)  
-Borrower



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Skagit County Auditor

Loan No.: 1423974615

**BORROWER ACKNOWLEDGMENT**

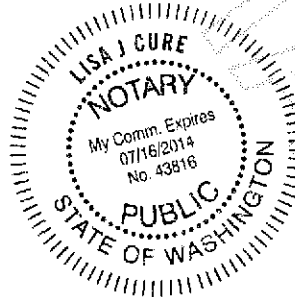
State of Washington §  
§ ss.:  
County of Skagit §

I certify that I know or have satisfactory evidence that Rick Gilhousen

[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: 7/23/12

(Seal)



[Signature]  
(Signature)  
Lisa Cure  
(Title of Office) Notary Public  
Burlington wa  
(Place of Residence) of Notary Public



Loan No.: 1423974615

LNV Corporation

-Lender

9-20-12

-Date

By: \_\_\_\_\_

Its: \_\_\_\_\_

**ODISHU R. MALIK**  
**Authorized Signer**

**LENDER ACKNOWLEDGMENT**

State of IL

§  
§  
§

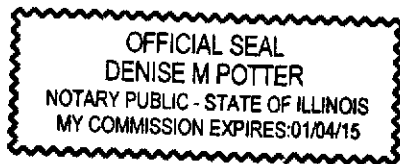
ss.:

County of LAKE

On this 20th day of September, 2012, before me personally appeared **ODISHU R. MALIK** to me known to be the (president, vice-president, secretary, treasurer, or other authorized officer or agent, as the case may be) of said entity that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument and that the seal affixed is the seal of said entity.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written.

(Seal)



(Signature) DENISE M. POTTER

Notary Public  
(Title of Office)

LAKE COUNTY IL  
(Place of Residence of Notary Public)



201211060020  
Skagit County Auditor

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### BALLOON ADDENDUM

THIS ADDENDUM is made this 1st day of July, 2012, and is incorporated into and shall be deemed to amend and supplement the Loan Modification Agreement of the same date, given by the undersigned (the "Borrower") which modifies Borrower's Note and Security Instrument to LNV Corporation (the "Lender")

and covers the Property located at:

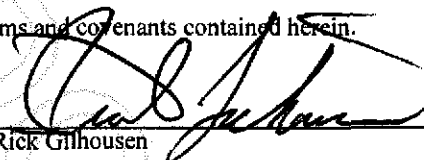
814 27th Street, Anacortes, Washington 98221  
[Property Address]

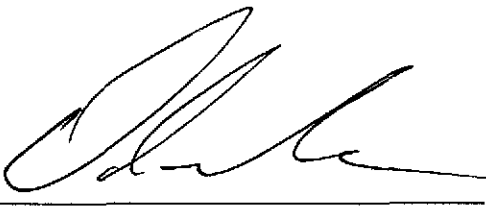
In addition to the agreements made in the Loan Modification Agreement, Borrower and Lender further agree as follows:

**"THIS LOAN MUST EITHER BE PAID IN FULL AT MATURITY OR CONVERTED TO A MARKET LEVEL FIXED RATE OVER THE EXTENDED REMAINING TERM. YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE IF YOU DO NOT QUALIFY. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER, WHICH MAY BE THE LENDER YOU HAVE THIS LOAN WITH, WILLING TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME LENDER."**

By signing below, Borrower accepts and agrees to the terms and covenants contained herein.

LNV Corporation \_\_\_\_\_ (Seal)  
-Lender

 \_\_\_\_\_ (Seal)  
Rick Gilhousen -Borrower

By:  \_\_\_\_\_

\_\_\_\_\_ (Seal)  
-Borrower

**ODISHU R. MALIK**  
**Authorized Signer**

Its: \_\_\_\_\_

\_\_\_\_\_ (Seal)  
-Borrower

