

AFTER RECORDING RETURN TO:

Washington Federal, National Association
1500 Cornwall Avenue
Bellingham, WA 98225
Attn: Susan McCulloch



201711170128

Skagit County Auditor \$79.00
11/17/2017 Page 1 of 6 3:19PM

GUARDIAN NORTHWEST TITLE CO

**MODIFICATION OF DEED OF TRUST
(HIGHLAND GREENS)**

114944

GRANTOR (GRANTOR): HANSELL/MITZEL, LLC
GRANTEE (BENEFICIARY): WASHINGTON FEDERAL, NATIONAL ASSOCIATION
GRANTEE (TRUSTEE): LPSE CORPORATE SERVICES, INC.
REFERENCE NUMBER: 200706210084

THIS MODIFICATION OF DEED OF TRUST dated as of October 31, 2017 (this "Modification"), is made and executed between Hansell/Mitzel, LLC, a Washington limited liability company ("Grantor"), and Washington Federal, National Association ("Beneficiary"). Grantor and Beneficiary hereby modify that certain Construction Deed of Trust dated as of June 19, 2007, executed by Grantor, to Westward Financial Services Corporation, as trustee, to secure an obligation in favor of Horizon Bank, and recorded June 21, 2007, in the Official Records of the Skagit County, Washington under instrument number 200706210084 (as modified from time to time, the "Deed of Trust"), as follows:

1. Amended Definitions.

a. The definition of "Borrower" set forth on Page 7 of the Deed of Trust under the heading "DEFINITIONS" is hereby deleted in its entirety, and the following substituted therefor:

"**Borrower.** The word 'Borrower' means Daniel Mitzel, Patricia Burklund and Hansell/Mitzel, LLC, jointly and severally."

b. The definition of "Note" set forth on Page 7 of the Deed of Trust under the heading "DEFINITIONS" is hereby deleted in its entirety, and the following substituted therefor:

"**Note.** The word 'Note' means, collectively, that certain HG Restructured Note of even date herewith, executed by Borrower, in the stated principal amount of \$7,691,925.85, and that certain HG Default Rate Note of even date herewith, executed by Borrower, in the stated principal amount of \$2,686,150.76."

c. The following definitions are hereby added to the Deed of Trust under the heading "DEFINITIONS":

“Plan. The word ‘Plan’ means that certain Debtors’ Third Amended Joint Plan of Reorganization filed on October 18, 2017, in the United States Bankruptcy Court for the Western District of Washington under case number 16-16311-TWD, and as confirmed pursuant to that certain Order of Confirmation entered on October 24, 2017, in such case.”

“Plan Settlement Agreement. The words ‘Plan Settlement Agreement’ means that certain Plan Settlement Agreement dated as of October 2, 2017, together with all addenda thereto.”

2. Security Interest in Property. Subject to reconveyances of record, the real property described in the Deed of Trust shall remain subject to the lien, charge or encumbrance of the Deed of Trust and nothing herein contained or done pursuant hereto shall affect or be construed to affect the liens, charges or encumbrances of the Deed of Trust, or the priority thereof over other liens, charges or encumbrances, or to release or affect the liability of any party or parties who may now or hereafter be liable under or on account of the Note or the Deed of Trust.

3. Effect of Modification: Non-Impairment. Except as specifically provided herein or in the Plan, all terms and conditions of the Deed of Trust remain in full force and effect, without waiver or modification. This Modification and the Deed of Trust shall be read together, as one document. Except as expressly provided herein or in the Plan, nothing in this Modification shall alter or affect any provision, condition or covenant contained in the Deed of Trust, or affect or impair any rights, powers, or remedies thereunder. Lender’s security interest and lien in the Property (as such term is defined in the Deed of Trust) shall remain in full force and effect, and shall secure payment and performance of the Notes, as amended hereby. For the avoidance of doubt, nothing in this Modification shall override the terms of the Plan or the Plan Settlement Agreement.

4. Severability. If any term or provision of this Modification or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this agreement and the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term or provision of this agreement shall be valid and enforceable to the fullest extent permitted by law.

5. Construction and Interpretation. The headings or titles of the sections of this agreement are intended for ease of reference only and shall have no effect whatsoever on the construction or interpretation of any provision of this agreement.

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

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK; SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be executed as of the day and year first above written.

GRANTOR:

HANSELL MITZEL, LLC

By: 

Name: Daniel R. Mitzel

Its: Manager

BENEFICIARY:

WASHINGTON FEDERAL, NATIONAL
ASSOCIATION

By: _____

Name: Eric Waidman

Its: Vice President

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be executed as of the day and year first above written.

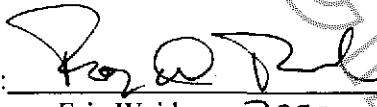
GRANTOR:

HANSELL/MITZEL, LLC

By: _____
Name: Daniel R. Mitzel
Its: Manager

BENEFICIARY:

WASHINGTON FEDERAL NATIONAL ASSOCIATION

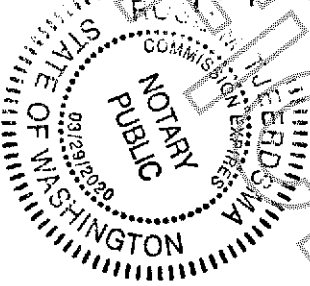
By:  _____
Name: ~~Erie Waidman~~ ROGER W. FORD
Its: Vice President S.V.P.

STATE OF WASHINGTON)
) ss.
COUNTY OF Stacy

I certify that I know or have satisfactory evidence that Daniel R. Mitzel is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as Manager of Hansell/Mitzel, LLC to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED: 11/1/17

Rose M Treasuro
Printed Name: Rose M Treasuro
NOTARY PUBLIC for the State of Washington,
residing at Burlington
My appointment expires: 3/29/20



STATE OF WASHINGTON)
) ss.
COUNTY OF _____

I certify that I know or have satisfactory evidence that Eric Waidman is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as Vice President of Washington Federal, National Association, to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED: _____

Printed Name: _____
NOTARY PUBLIC for the State of Washington,
residing at _____
My appointment expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that Daniel R. Mitzel is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as Manager of Hansell/Mitzel, LLC to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED: _____

Printed Name: _____
NOTARY PUBLIC for the State of Washington,
residing at _____
My appointment expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF King)

I certify that I know or have satisfactory evidence that ~~Eric Waidman~~ ^{Reagan W. Ford} is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as ~~Vice President~~ of Washington Federal, National Association, to be the free and voluntary act of such parties for the uses and purposes mentioned in this instrument.

DATED: November 14, 2017

S.V.P.

Joy N. Pardue
Printed Name: Joy N. Pardue
NOTARY PUBLIC for the State of Washington,
residing at Mill Creek, WA
My appointment expires: 9.23.2018

JOY N. PARDUE
Notary Public, State of Washington
My Commission Expires
September 23, 2018