

AFTER RECORDING RETURN TO:

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



Skagit County Auditor \$80.00  
11/17/2017 Page 1 of 7 3:19PM

~~GUARDIAN NORTHWEST TITLE CO.~~

**MODIFICATION OF DEED OF TRUST  
(NORTH HILL)**

114944

GRANTOR (GRANTOR): HANSELL/MITZEL, LLC  
GRANTEE (BENEFICIARY): WASHINGTON FEDERAL, NATIONAL ASSOCIATION  
GRANTEE (TRUSTEE): TRUSTEE SERVICES, INC.  
REFERENCE NUMBER: 200805130086

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 May 7, 2008, executed by Grantor, to Westward Financial Services Corporation, as trustee, to secure an obligation in favor of Horizon Bank, and recorded May 13, 2008, in the Official Records of the Skagit County, Washington under instrument number 200805130086 (as modified from time to time, the "Deed of Trust"), as follows:

1. Amended Definitions.

a. The definition of "Borrower" set forth on Page 10 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 11 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, the HG Notes and NH Notes in the aggregate principal amount of \$15,300,786.67."

c. The paragraph under the heading "CROSS-COLLATERALIZATION" on page 2 is hereby deleted in its entirety, without substitution.

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

**“HG Notes.** The words ‘HG Notes’ mean 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, as both are supplemented by the Plan Settlement Agreement.”

**“NH Notes.** The words ‘NH Notes’ mean that certain NH Restructured Note of even date herewith, executed by Borrower, in the stated principal amount of \$3,378,208.38, and that certain NH Default Rate Note of even date herewith, executed by Borrower, in the stated principal amount of \$1,544,501.68, as both are supplemented by the Plan Settlement Agreement.”

**“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 Note, 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.

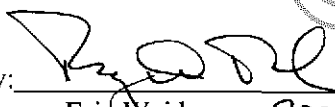
**GRANTOR:**

HANSELL/MITZEL, LLC

By: \_\_\_\_\_  
Name: Daniel R. Mitzel  
Its: Manager

**BENEFICIARY:**

WASHINGTON FEDERAL NATIONAL ASSOCIATION

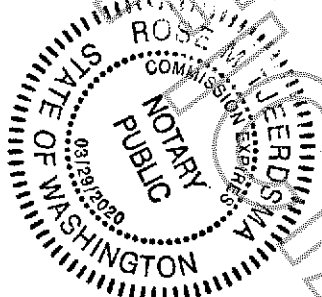
By:  \_\_\_\_\_  
Name: ~~Eric Waidman~~ *Rosen W. Ford*  
Its: ~~Vice President~~ *S.V.P.*

UNOFFICIAL DOCUMENT

STATE OF WASHINGTON )  
COUNTY OF Skagit ) ss.

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: 11/11/20



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

STATE OF WASHINGTON )  
COUNTY OF \_\_\_\_\_ ) ss.

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~~ <sup>ROGER W. FOLD</sup> 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

<sup>S.V.P.</sup>  
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