

After Recording Return To:

Guardian Mortgage, a division of Sunflower Bank, N.A.
2701 North Dallas Parkway, Suite 280
Plano, TX 75093

Skamania County, WA
Total: \$209.50 Pgs=7
MODAG
Request of: GUARDIAN MORTGAGE, A DIVISION OF
eRecorded by: SUNFLOWER BANK, N.A.
2023-001493
10/16/2023 10:39 AM

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**CONSTRUCTION CONVERSION MODIFICATION AGREEMENT
(Adjustable Interest Rate)**

Loan Number: 2204093411

This Construction Conversion Modification Agreement (the "Agreement"), made and effective this 26th day of September, 2023, between Guardian Mortgage, a division of Sunflower Bank, N.A. ("Lender") and Ana I. Garces and Ricardo H. Garces ("Borrower"), modifies and amends certain terms of Borrower's indebtedness evidenced by (1) the interim construction financing adjustable interest rate Note (the "Adjustable Rate Note") to Lender dated the 8th day of June, 2022, in the original principal sum of U.S. \$600,000.00 and secured by (2) the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") and Rider(s), if any, dated the same date as the Adjustable Rate Note and recorded in Auditor's File No. 2022-001211, of the Public Records [Name of Records] of Skamania County, WA [County and State, or other Jurisdiction]. The Security Instrument covers the real and personal property described in the Security Instrument and defined as the "Property", located at:

162 Archer Mountain Rd, Stevenson WA 98648
[Property Address]

the real property described being set forth as follows:

THE EAST HALF OF THE WEST HALF OF THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 28, TOWNSHIP TWO NORTH, RANGE 6 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF SKAMANIA STATE OF WASHINGTON, THAT IS NORTH OF THE NOW EXISTING ROAD.

Parcel ID Number: 02 06 28 0 0 1400 00

Borrower and Lender agree that on or before the date of this Agreement the construction or renovation, as applicable, of the Property has been completed. Borrower and Lender have agreed to modify the terms of the Adjustable Rate Note and Security Instrument in accordance with the terms of this Agreement. This Agreement is not a novation.

In consideration of the mutual promises and agreements exchanged, Lender and Borrower agree as follows

(notwithstanding anything to the contrary contained in the Adjustable Rate Note and Security Instrument):

1. **Current Loan Balance.** As of September 26, 2023, the amount payable under the Adjustable Rate Note and Security Instrument, each as modified by this Agreement (the "Unpaid Principal Balance"), is U.S. \$600,000.00.
2. **Note Modification.** The terms and provisions of the interim construction financing stated in the Adjustable Rate Note in Paragraphs 2, 3 and 4, are amended and modified as follows:
 - (a) **Interest.** Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the unpaid principal until the full amount of the Unpaid Principal Balance has been paid. Borrower must pay interest at a yearly rate of 4.500%. The interest rate will change in accordance with the terms of the Adjustable Rate Note as modified by this Agreement. This interest rate shall apply both before and after any default described in the Adjustable Rate Note.
 - (b) **Payments.** Borrower promises to pay principal and interest by making a payment every month. Each of the initial monthly payments will be in the amount of U.S. \$3,103.04. This amount may change. Changes in the monthly payment will reflect changes in the unpaid principal and in the interest rate. The Note Holder will determine the new interest rate and the changed amount of the monthly payment in accordance with this Agreement.

Borrower shall make the monthly payment on the first day of each month beginning on November 1, 2023. Borrower shall make these payments every month until Borrower has paid all of the principal and interest and any other charges described in the Adjustable Rate Note. The monthly payments shall be applied as stated in the Adjustable Rate Note.

If on July 1, 2052 (the "Maturity Date"), Borrower still owes amounts under the Adjustable Rate Note and the Security Instrument, each as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.

Borrower must make the monthly payments at the place stated in the Adjustable Rate Note or such other place as Lender may require.

- (c) **Interest Rate and Monthly Payment Changes.** The interest rate Borrower must pay may change on the first day of July, 2029, and may change on that day every 6 month thereafter. Each date on which the interest rate could change is called a "Change Date."

Beginning with the first Change Date, the interest rate will be based on the Current Index as described in the Adjustable Rate Note.

Before each Change Date, the Note Holder will calculate the new interest rate by adding Two and Three-Fourths percentage point(s) (2.750%) to the Current Index. The Note Holder will then round the result of this addition

to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated below, this rounded amount will be the new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that Borrower is expected to owe at the Change Date in full on the Maturity Date at the new interest rate in substantially equal payments. The result of this calculation will be the new amount of Borrower's monthly payment.

The interest rate Borrower must pay at the first Change Date will not be greater than 9.500% or less than 2.750%. Thereafter, the interest rate will never be increased or decreased on any single Change Date by more than One percentage point(s) (1.000%) from the rate of interest paid during the preceding 6 months. The interest rate will never be greater than 9.500% or less than 2.750%.

The new interest rate will become effective on each Change Date. Borrower must pay the amount of the new monthly payment beginning on the first monthly payment date after the Change Date until the amount of the monthly payment changes again.

The Note Holder will provide Borrower notice of any changes in the interest rate and the amount of the monthly payment in accordance with the terms of the Adjustable Rate Note.

(d) Other Terms Remain in Effect. Other terms, including, without limitation, terms related to Borrower's right to prepay, loan charges, late charges and default, obligations of persons under the Note and the conditions under which Borrower must make payment in full in the event of a sale or transfer of the property, that are stated in the Adjustable Rate Note remain in full force and effect.

(e) Compliance with Covenants. Borrower shall comply with all other covenants, agreements, and requirements of the Security Instrument, including without limitation, 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.

3. Amendments to the Security Instrument. The terms and provisions of the interim construction financing stated in the Adjustable Rate Rider are amended and modified as follows:

(a) Interest Rate and Monthly Payment Changes. The interest rate Borrower must pay may change on the first day of July, 2029, and may change on

that day every 6 month thereafter. Each date on which the interest rate could change is called a "Change Date."

Beginning with the first Change Date, the interest rate will be based on the Current Index as described in the Adjustable Rate Note.

Before each Change Date, the Note Holder will calculate the new interest rate by adding Two and Three-Fourths percentage point(s) (2.750%) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated below, this rounded amount will be the new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that Borrower is expected to owe at the Change Date in full on the Maturity Date at the new interest rate in substantially equal payments. The result of this calculation will be the new amount of Borrower's monthly payment.

The interest rate Borrower must pay at the first Change Date will not be greater than 9.500% or less than 2.750%. Thereafter, the interest rate will never be increased or decreased on any single Change Date by more than One percentage point(s) (1.000%) from the rate of interest paid during the preceding 6 months. The interest rate will never be greater than 9.500% or less than 2.750%.

The new interest rate will become effective on each Change Date. Borrower must pay the amount of the new monthly payment beginning on the first monthly payment date after the Change Date until the amount of the monthly payment changes again.

The Note Holder will provide Borrower notice of any changes in the interest rate and the amount of the monthly payment in accordance with the terms of the Adjustable Rate Note.

Additional changes to the Security Instrument are as follows; those marked are applicable:

- ☐ (a) Increase in Principal Balance. The Unpaid Principal Balance of the Note that is secured by this Security Instrument has been increased by U.S. \$_____.
- ☐ (b) Decrease in Principal Balance. The Unpaid Principal Balance of the Note that is secured by this Security Instrument has been decreased by U.S. \$_____.
- ☐ (c) Change in Maturity Date. The Unpaid Principal Balance if not paid sooner is due in full not later than _____, ____.
- ☐ (d) Security Instrument Riders Cancelled. The rider(s) to the Security Instrument pertaining to the interim construction financing are null and void and of no further effect as of the date of this Agreement.
- ☐ (e) Additional Security Instrument Rider(s). The terms and conditions of the Security Instrument are further amended and modified by the terms and conditions stated in the Security Instrument Rider(s), dated the date of this Agreement, fully executed and delivered by Borrower, and attached to and incorporated into this Agreement by reference.

4. Recordation. This Agreement shall be recorded, together with any applicable attachments, in all places where the Security Instrument is recorded.
5. No Release. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Adjustable Rate Note or Security Instrument. Except where otherwise specifically provided in this Agreement, the Adjustable Rate Note and Security Instrument shall remain unchanged, and Borrower and Lender will be bound by, and comply with, all of the terms and provisions of these instruments, as amended by this Agreement.

In Witness Whereof, Lender and Borrower have executed this Agreement.

Guardian Mortgage, a division of
Sunflower Bank, N.A.

Ana I. Garces (Seal)
Ana I. Garces - Borrower

By: Cheryl Brown
Cheryl Brown
Residential Mgt. Quality Assurance Director, SVP

Ricardo H. Garces (Seal)
Ricardo H. Garces - Borrower

State of Texas }
County of Dallas }




The foregoing instrument was acknowledged before me this 26th day of September, 2023 by Ana I. Garces and Ricardo H. Garces.

Brisa Hernandez
Notary Public
My commission expires: 03/23/26

State of Michigan }
County of Genesee }

The foregoing instrument was acknowledged before me this 4th day of October, 2023 by Cheryl Brown.

JOYCE L. TAYLOR
NOTARY PUBLIC, STATE OF MI
COUNTY OF GENESEE
MY COMMISSION EXPIRES Feb 19, 2024
ACTING IN COUNTY OF



Notary Public
My commission expires:

_____[Space Below This Line For Acknowledgment In Accordance With Laws Of Jurisdiction]_____

[Attach Any Applicable Security Instruments Riders]

Unofficial
Copy