



200301240080
Skagit County Auditor

1/24/2003 Page 1 of 5 10:55AM

Record & Return:

Mortgage Source Ventures, Inc
210 E. Redwood Street #200
Baltimore, MD 21202

Cendant Mortgage Loan Number 0002823474 *200038349*

LOAN MODIFICATION AGREEMENT

**Three Original Loan Modification Agreements must be executed by the Borrower
One Original is to be filed with the note and one Original is to be recorded in the Land
Records where the Security Instrument is recorded**

This Loan Modification Agreement ("Agreement"), entered into effective as of the **FIRST** day of **August 2001**, between **Andrew Kerby** ("Borrower(s)") and **PHH Mortgage Services Corporation** (Lender), amends and supplements (1) the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument"), dated **March 26, 1999** securing the original principal sum of **\$102,600.00** and recorded on **03/26/99** with the **File/Instrument No. 9903260080, Book 1964, Page 0440** of the **County of Skagit** 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 as the "Property", located at **24052 Feather Lane Sedro Woolley, WA 98284** the real property described being set forth as follows:

LEGAL DESCRIPTION: See Attached

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 the **FIRST** day of **August 2001**, the amount payable under the Note and the Security Instrument (the "Unpaid "Principal Balance") is U.S. **\$105,735.27** consisting of the amount(s) loaned to the Borrower by the Lender and any interest capitalized to date.

2. The Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of the Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of **8.375%**, beginning on the **FIRST** day of **August 2001**. The Borrower promises to make monthly payments of principal and interest of U.S. **\$803.66** beginning on the **FIRST** day of **September 2001**, and continuing thereafter on same day of each succeeding month until principal and interest are paid in full. If on **08/01/2031** (the " Maturity Date"), the Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, the Borrower will pay these amounts in full on the Maturity Date.

The Borrower will make such payments at **6000 Atrium Way Mt. Laurel, NJ 08054** or at such other place as the Lender may require.

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

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

4. The 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 the Borrower is obligated to make under the Security Instrument; however, the following terms and provisions are forever canceled, null and void, as of the date specified 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; and



200301240080

Skagit County Auditor

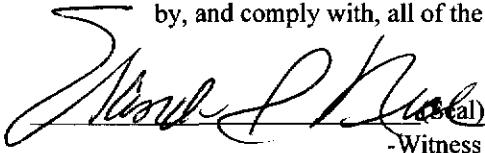
1/24/2003 Page

2 of

5 10:55AM

(b) all terms and provisions of any adjustable rate rider 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. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note or Security Instrument. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and the Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by this Agreement.

 (Seal)
-Witness

 (Seal)
Andrew Kerby
(Must Sign In Black Ink Only)
-Borrower

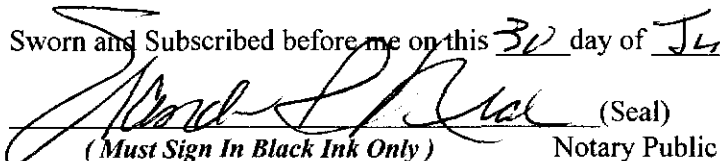
____ (Seal)
-Witness

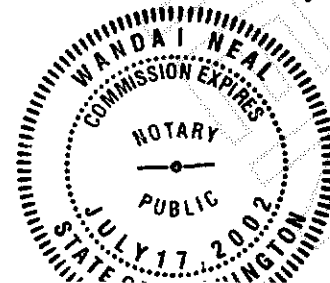
____ (Seal)
-Borrower
(Must Sign In Black Ink Only)

STATE OF:
COUNTY OF:

Be it remembered, that on this 30 day of July in the year of Our Lord two thousand and one (2001) before me, the subscriber a NOTARY PUBLIC, personally appeared **Andrew Kerby** who I am satisfied is/are the person(s) who signed the within instrument, and I acknowledge that he/she/they signed, sealed and delivered the same as his/her/their voluntary act and deed. All of which is hereby certified.

Sworn and Subscribed before me on this 30 day of July 2001.

 (Seal)
(Must Sign In Black Ink Only) Notary Public



200301240080
Skagit County Auditor

Loan Modification Agreement-Single Family--Fannie Mae/Freddie Mac Uniform Instrument
[Space Below This Line For Acknowledgments]

Prepared at: PHH Mortgage Services 6000 Atrium Way Mt. Laurel, NJ 08054

Prepared by: **Kevin Glover**

Freddie Mac

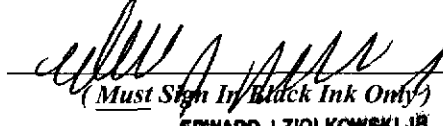
By Cendant Mortgage Services, Inc. it's
Attorney in fact (Lender)

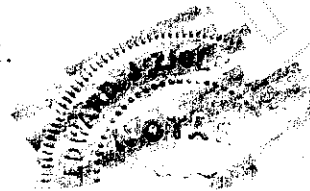
By: 
Michael Danlag, Vice President

STATE OF: *NEW JERSEY*
COUNTY OF: *BURLINGTON*

Be it remembered, that on this 18 day of JUNE in the year of Our Lord two thousand and one (2001) before me, the subscriber a NOTARY PUBLIC, personally appeared Michael Danlag, who I am satisfied is/are the person(s) who signed the within instrument, and I acknowledge that he/she/they signed, sealed and delivered the same as his/her/their voluntary act and deed. All of which is hereby certified.

Sworn and Subscribed before me on this 18 day of JUNE 2001.

 (Seal)
(Must Sign In Black Ink Only) Notary Public
EDWARD J. ZIOLKOWSKI JR.
NOTARY PUBLIC
STATE OF NEW JERSEY
COMMISSION EXPIRES 04/05/2005



200301240080

Skagit County Auditor

07/27/2001 10:09 FAX 206 557 1809

COMMONWEALTH-TITLE HARBOR

COMMITMENT FOR TITLE INSURANCE

Prepared for: COMMONWEALTH TITLE & ESCROW

SCHEDULE A

Your Reference No.: 98284/38476

Order No.: SB-14271

Effective Date: February 17, 1999, at 8:30 a.m.

Policies to be issued:

Standard ALTA Owner's Policy - 10/17/92

(SHORT-TERM RATE)

Amount:	\$	108,005.00
Premium:	\$	460.00
Tax:	\$	35.88
Total:	\$	495.88

Proposed Insured:

ANDREW KERBY and BROOKE KERBY,
husband and wife

B. Extended ALTA Loan Policy - 10/17/92

(SIMULTANEOUS RATE)

Amount:	\$	TO COME
Premium:	\$	263.00
Tax:	\$	20.51
Total:	\$	283.51

Proposed Insured:

CENDANT MORTGAGE

GRAND TOTAL: \$ 779.39

NOTE: In the event that this transaction fails to close and/or the request for title insurance is cancelled, a fee will be charged in compliance with the State of Washington Insurance Code and the filed rate schedule of this Company.

3. The estate or interest in the land which is covered by this Commitment is:

FREE SIMPLE ESTATE

4. Title to the estate or interest in the land is at the effective date hereof vested in:

SECRETARY OF HOUSING AND URBAN DEVELOPMENT OF WASHINGTON

5. The land referred to in this Commitment is described as follows:

Lot 3, EAGLE VALLEY P.U.D., according to the plat thereof recorded in Volume 15 of Plats, pages 181 through 183, records of Skagit County, Washington.

Situated in Skagit County, Washington.

Loan #:

00002223434

Customer #:

0092242

Cendant Mortgage



200301240080
Skagit County Auditor

102/11/01
NIC
Pender
3/11

Paid 1st 1/2
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