



200412300148

Skagit County Auditor

12/30/2004 Page 1 of 5 2:42PM

Cendant Mortgage Loan Number 0000449462

When Recorded Return To: *Mud*
First American Title Company
P.O. Box 27670 *2241461 Rec.*
Santa Ana, CA 92799
Attn: Special Default Services Division

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**

****9811250096**

This Loan Modification Agreement ("Agreement"), entered into effective as of the **FIRST** day of July 2004, between **Kathleen McDonald and Samuel D. McDonald** ("Borrower(s)") and **PHH a.k.a. Cendant Mortgage Services Inc.** (Lender), amends and supplements (1) the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument"), dated **November 18, 1998** securing the original principal sum of **\$100,000.00** and recorded on **11/25/98** with the **Book No. 1904, Page No. 0022-28**** 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 **1409 10th Street Anacortes, WA 98221** the real property described being set forth as follows:

*** The McDonalds - GRANTEE**

*** PHH "AKA" Cendant - Grantor**

LEGAL DESCRIPTION: See Attached pgs the W. 20 Ft. of Lot 4, and all of Lot 5, Block 114, map of the City of Anacortes

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):

PIN # 37721140050004

1. As of the **FIRST** day of **July 2004**, the amount payable under the Note and the Security Instrument (the "Unpaid "Principal Balance") is U.S. **\$107,237.68** 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 **6.750%**, beginning on the **FIRST** day of **July 2004**. The Borrower promises to make monthly payments of principal and interest of U.S. **\$747.75** beginning on the **FIRST** day of **August 2004** and continuing thereafter on same day of each succeeding month until principal and interest are paid in full. If on **12/01/2028** (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 **4001 Leadenhall Road 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



200412300148

Skagit County Auditor

(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.

Lilly Johnson (Seal)
-Witness

Kathleen McDonald (Seal)
Kathleen McDonald -Borrower
(Must Sign In Black Ink Only)

Barbara Lutz (Seal)
-Witness

Samuel D. McDonald (Seal)
Samuel D. McDonald -Borrower
(Must Sign In Black Ink Only)

STATE OF:

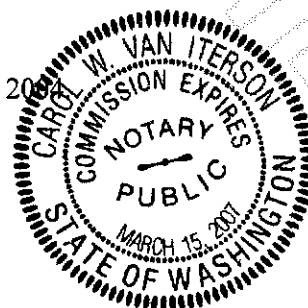
COUNTY OF:

Washington
Skagit

Be it remembered, that on this 21st day of June in the year of Our Lord two thousand and four (2004) before me, the subscriber a NOTARY PUBLIC, personally appeared **Kathleen McDonald and Samuel D. McDonald** 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 21st day of June 2004

Carol W. Van Ierson (Seal)
(Must Sign In Black Ink Only) Notary Public



200412300148
Skagit County Auditor

Loan Modification Agreement-Single Family--Fannie Mae/Freddie Mac Uniform Instrument

[Space Below This Line For Acknowledgments]

Prepared at: PHH a.k.a. Cendant Mortgage Services Inc. 4001 Leadenhall Road Mt. Laurel, NJ 08054

Prepared by: **Bill Monteith**

FHLMC

By PHH a.k.a. Cendant Mortgage Services Inc.

By:

Marc Hinkle
Marc Hinkle, Vice President



200412300148

Skagit County Auditor

12/30/2004 Page 4 of 5 2:42PM

STATE OF: New Jersey
COUNTY OF: Gloucester

Be it remembered, that on this 29th day of Nov in the year of Our Lord two thousand and four (2004) before me, the subscriber a NOTARY PUBLIC, personally appeared Marc Hinkle, 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 29th day of Nov 2004.

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

Sherrine Alston
Notary Public, State of New Jersey
My Commission Expires April 24, 2005

LEGAL DESCRIPTION

THE WEST 20 FEET OF LOT 4, AND ALL OF LOT 5, BLOCK 114, MAP OF THE CITY OF ANACORTEZ ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 2 OF PLATS, PAGES 4 THROUGH 7, RECORDS OF SKAGIT COUNTY, WASHINGTON.

SITUATED IN SKAGIT COUNTY, WASHINGTON.



200412300148

Skagit County Auditor