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Skagit County Auditor, WA

RECORDING REQUESTED BY AND WHEN
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TIMIOS

5716 CORSA AVE, SUITE 102
WESTLAKE VILLAGE, CA 91362
818-706-6400

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PAYMENT SUPPLEMENT MORTGAGE

Title of Document

Mortgagor: ERIC KNIGHT AND MICHELLE KNIGHT, A MARRIED COUPLE

Lender: Secretary of Housing and Urban Development

Tax/Parcel #: P106913/4632-000-022-0001

Legal Description: LOT 22, EAGLE VALLEY P.U.D., ACCORDING TO THE PLAT THEREOF,
RECORDED IN VOLUME 15 OF PLATS. PAGE(S) 181 THROUGH 183, RECORDS OF SKAGIT COUNTY,
WASHINGTON.

Prepared By:
M&T Bank
Desiree Schroeder
475 Crosspoint Pkwy
Getzville, NY 14068
800-724-2440

Recording requested by and When recorded return to:
TIMIOS
5716 CORSA AVE, SUITE 102
WESTLAKE VILLAGE, CA 91362
818-706-6400

Tax/Parcel #: P106913/4632-000-022-0001

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Loan No. 0107645715

FHA Case No.: 566-3512982-703-203B

PAYMENT SUPPLEMENT MORTGAGE

THIS SUBORDINATE MORTGAGE ("Security Instrument") is given on **April 14, 2025**. The mortgagor is **ERIC KNIGHT AND MICHELLE KNIGHT, A MARRIED COUPLE** whose address is **5235 AERIE LN, SEDRO WOOLLEY, WA 98284** ("Borrower").

This Security Instrument is given to the Secretary of Housing and Urban Development, whose address is **451 Seventh Street, SW, Washington, DC 20410** ("HUD"). Borrower is obligated to repay HUD an amount equal to the sum of all advances, including future advances made on Borrower's behalf, up to the principal sum of **THIRTY-ONE THOUSAND FOUR HUNDRED FIFTY-THREE AND 88/100 (U.S. \$31,453.88)**, under the terms of Borrower's Payment Supplement Note dated the same date as this Payment Supplement Security Instrument (hereinafter "Note" or "Payment Supplement Note"), which provides for the full debt, if not required to be paid earlier, is due and payable upon maturity or termination of the Borrower's Note, consistent with the terms of the Payment Supplement Agreement and Payment Supplement Note. This Security Instrument secures to HUD: (a) the repayment of the debt evidenced by the Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, advanced under Paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, warrant, grant and convey to the HUD, with the power of sale the following described property located in County of **SKAGIT**, State of **WA**:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF:

made under the Payment Supplement Agreement, up to the principal sum of **THIRTY-ONE THOUSAND FOUR HUNDRED FIFTY-THREE AND 88/100** (U.S. \$31,453.88), with such sums bearing zero percent (0%) interest as described the Payment Supplement Agreement and in accordance with the terms hereof.

3. PROMISE TO PAY SECURED

Borrower's promise to pay is secured by a mortgage, deed of trust or similar security instrument that is dated the same date as this Note and called the "Security Instrument." The Security Instrument protects HUD from losses, which might result IF Borrower defaults under this Note.

4. MANNER OF PAYMENT

(A) Time and Amount

Borrower must repay all sums outstanding on this Note when the first of the following events occurs, if earlier:

- (i) Borrower has paid in full all amounts due under the FHA-insured primary note and related mortgage, deed of trust or similar Security Instruments insured by the Secretary, or
- (ii) The maturity date of the FHA-insured primary note has been accelerated. The maturity date of the FHA-insured primary note and related mortgage, deed of trust or similar security instrument may be accelerated in event of any sale or transfer of the Property, in whole or in part, or in the event the Borrower and any other Borrower no longer owns the Property after an assumption, or
- (iii) The FHA-insured primary note and related mortgage, deed of trust or similar Security Instrument are no longer insured by the Secretary, or
- (iv) The maturity of the FHA-insured primary mortgage.

(B) Place

Payment shall be made to the Department of Housing and Urban Development c/o HUD's National Servicing Center 301 NW 6th Street, Suite 200, Oklahoma City, OK 73102 or any such other place as HUD may designate in writing.

5. BORROWER'S RIGHT TO PREPAY

Borrower has the right to prepay the debt evidenced by this Note, in whole or in part, without charge or penalty. IF Borrower makes a partial prepayment, there will be no changes in the due date or in the amount of the monthly payment pursuant to the terms of the Payment Supplement Agreement unless HUD agrees in writing to those changes.

6. WAIVERS

Borrower and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require HUD to demand payment of amounts due. "Notice of dishonor" means the right to require HUD to give notice to other persons that amounts due have not been paid.

7. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to keep all the promises made in the Note. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this

National Servicing Center
 Attention: Payment Supplement,
 NW 6th Street, Suite 200,
 Oklahoma City, OK 73102

or any address HUD designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or HUD when given as provided in this paragraph.

5. **Governing Law; Severability.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. If any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument, the Payment Supplement Agreement, or the Note that can be given effect without the conflicting provision. To this end, the provisions of this Security Instrument, Payment Supplement Agreement, and the Note are declared to be severable.
6. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

NON-UNIFORM COVENANTS. Borrower and HUD further covenant and agree as follows:

7. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 7, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If HUD requires immediate payment in full under Paragraph 4 of the Note, HUD may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. § 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property, as provided in the Act. Nothing in the preceding sentence shall deprive HUD of any rights otherwise available to a HUD under this paragraph or applicable law.

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument.


 ERIC KNIGHT

4-22-2025
 Date


 MICHELLE KNIGHT

4/22/2025
 Date

*signing solely to acknowledge this Agreement, but not to incur any personal liability for the debt

[Space Below This Line for Acknowledgments]

BORROWER ACKNOWLEDGMENT

Acknowledgement

STATE OF WASHINGTON }

COUNTY OF Skagit }

This Instrument was acknowledged before me on this 22nd day of April, 2023, by ERIC KNIGHT and MICHELLE KNIGHT.

(Seal)

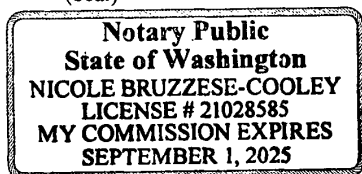
Official Signature of Notary Nicole Bruzzeze-CooleyNotary Public Name Nicole Bruzzeze-CooleyNotary ID#: 21028585My Commission Expires: 09/01/2025

EXHIBIT A

BORROWER(S): ERIC KNIGHT and MICHELLE KNIGHT

Loan No. 0107645715

Tax/Parcel #: P106913/4632-000-022-0001

LEGAL DESCRIPTION:

LOT 22, EAGLE VALLEY P.U.D., ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 15 OF PLATS. PAGE(S) 181 THROUGH 183, RECORDS OF SKAGIT COUNTY, WASHINGTON.

Date: April 14, 2025

Loan No. 0107645715

Lender: SECRETARY OF HOUSING AND URBAN DEVELOPMENT

Borrower: ERIC KNIGHT AND MICHELLE KNIGHT, A MARRIED COUPLE

Property Address: 5235 AERIE LN, SEDRO WOOLLEY, WA 98284

ERRORS AND OMISSIONS COMPLIANCE AGREEMENT

In consideration of SECRETARY OF HOUSING AND URBAN DEVELOPMENT

(the "Lender") agreeing to modify the referenced loan (the "Loan") to the Borrower, the Borrower agrees that if requested by the Lender, the Borrower will correct, or cooperate in the correction of, any clerical errors made in any document or agreement entered into in connection with the modification of the Loan, if deemed necessary or desirable in the reasonable discretion of the Lender, to enable Lender to sell, convey, seek guaranty or market the Loan to any entity, including without limitation, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Federal Housing Authority, the Department of Veterans Affairs or any municipal bond authority.

The Borrower agrees to comply with all such requests made by the Lender within 30 days of receipt of written request from the Lender.

The Borrower makes this agreement in order to assure that the documents and agreements executed in connection with the modification of the Loan will conform to and be acceptable in the marketplace in the event the Loan is transferred, conveyed, guaranteed or marketed by the Lender.


ERIC KNIGHT

4-22-2025
Date


MICHELLE KNIGHT

4/22/2025
Date

*signing solely to acknowledge this Agreement, but not to incur any personal liability for the debt

Date: April 14, 2025

Loan No. 0107645715

Lender: SECRETARY OF HOUSING AND URBAN DEVELOPMENT

Borrower: ERIC KNIGHT AND MICHELLE KNIGHT, A MARRIED COUPLE

Property Address: 5235 AERIE LN, SEDRO WOOLLEY, WA 98284


NOTICE OF NO ORAL AGREEMENTS

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO ORAL AGREEMENTS BETWEEN THE PARTIES.

Receipt of Notice. The undersigned hereby admit to having each received and read a copy of this Notice on or before execution of the Loan Agreement. "Loan Agreement" means one or more promises, promissory notes, agreements, undertakings, security agreements, deeds of trust or other documents, or commitments, or any combination of those actions or documents, pursuant to which a financial institution loans or delays repayment of or agrees to loan or delay repayment of money, goods or any other thing of value or to otherwise extend credit or make a financial accommodation.


ERIC KNIGHT

04-22-2025
Date


MICHELLE KNIGHT

4/22/2025
Date

*signing solely to acknowledge this Agreement, but not to incur any personal liability for the debt