

2025-001015

Klamath County, Oregon

02/14/2025 08:29:02 AM

Fee: \$147.00

**Prepared By: Lizet Morales-Perez**

PHH Mortgage Services

Attn: Contract Management

PO Box 24737

West Palm Beach, FL 33416-9838

Investor #: 49E

[Space Above This Line for Recording Data]

**LOAN MODIFICATION AGREEMENT**

Servicer:

PHH Mortgage Services

240068405-PHH

Original Mortgagor / Maker:

MICHAEL T MERKLEY AND MARIE E MERKLEY

Marital Status:

MARRIED

Original Mortgagee / Payee:

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.  
("MERS"), AS DESIGNATED NOMINEE FOR SUMMIT FUNDING,  
INC BENEFICIARY OF THE SECURITY INSTRUMENT, ITS  
SUCCESSORS AND ASSIGNS

Original Amount:

\$166,250.00

Original Mortgage Date:

04/07/2022

Date Recorded:

04/11/2022

Reel / Book:

-----

Page / Liber: -----

CRFN / Document/Instrument #:

2022-004576

AP# / Parcel #:

774567

Property Address:

31440 HIGH ST

City: BONANZA

County: KLAMATH

State: OREGON

Present Holder of the Note and Lien:

SUMMIT FUNDING, INC.

Holder's Mailing Address:

C/O PHH MORTGAGE CORPORATION

(Including county)

PO Box 24737

West Palm Beach, FL 33416-9838

Palm Beach County

Pre MOD UPB

\$161,977.03

New Loan Amount

\$169,150.43

New Money

\$7,173.40

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

Registered Land (OH Only):

☐ YES

☐ NO

AFN# (OH Only):

\_\_\_\_\_

District (NYC Only):

\_\_\_\_\_

Section: \_\_\_\_\_

Block: \_\_\_\_\_

Lot: \_\_\_\_\_

District (MA Only):

\_\_\_\_\_

Lot (DC Only):

\_\_\_\_\_

Square: \_\_\_\_\_

\_\_\_\_\_

**Account Number:** 7242148067  
**Investor Account Number:** 4029296476

This document was prepared by PHH Mortgage Corporation

**After Recording Return To:**  
PHH Mortgage Corporation  
Attention: Modification Processing  
PO Box 24737  
West Palm Beach, FL 33416-9838

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## **MODIFICATION AGREEMENT**

Borrower(s): MICHAEL T MERKLEY, MARIE E MERKLEY

(Providing for Fixed Interest Rate)

### **BALLOON PAYMENT DISCLOSURE**

**THIS IS A BALLOON MORTGAGE AND THE FINAL PRINCIPAL PAYMENT OR THE PRINCIPAL BALANCE DUE UPON MATURITY IS \$5,448.35, TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MORTGAGEE UNDER THE TERMS OF THIS MORTGAGE.**

**THIS MODIFICATION AGREEMENT INCLUDES A BALLOON PAYMENT, WHICH MEANS THAT EVEN IF BORROWER MAKES ALL THE SCHEDULED PAYMENTS WHEN DUE, THE LOAN WILL NOT BE PAID IN FULL AT THE END OF ITS TERM. AS A RESULT, ON THE MATURITY DATE OUTLINED WITHIN THIS AGREEMENT, BORROWER WILL BE REQUIRED TO REPAY, IN A SINGLE PAYMENT, THE ENTIRE REMAINING PRINCIPAL BALANCE PLUS ALL ACCRUED BUT UNPAID INTEREST AND ALL OTHER AMOUNTS OWING ON THAT DATE (INCLUDING BUT NOT LIMITED TO ALL ADVANCES MADE BY LOAN SERVICER UNDER THE TERMS OF THE SECURITY INSTRUMENT).**

**CAUTION TO BORROWER: NO OBLIGATION TO REFINANCE** - LOAN SERVICER HAS NO OBLIGATION TO REFINANCE THIS LOAN OR MAKE BORROWER A NEW LOAN ON THE MATURITY DATE. IF BORROWER DOES NOT HAVE THE FUNDS TO PAY THE BALLOON PAYMENT WHEN IT COMES DUE, BORROWER MAY HAVE TO OBTAIN A NEW LOAN AGAINST THE PROPERTY TO MAKE THE BALLOON PAYMENT. ASSUMING ANOTHER LENDER MAKES BORROWER A NEW LOAN ON THE MATURITY DATE, BORROWER WILL PROBABLY BE CHARGED INTEREST AT THE MARKET RATE PREVAILING AT THAT TIME. SUCH INTEREST RATE MAY BE HIGHER THAN THE INTEREST RATE PAID ON THIS LOAN. YOU MAY AGAIN HAVE TO PAY COMMISSIONS, FEES AND EXPENSES FOR THE ARRANGING OF THE NEW LOAN. IN ADDITION, IF BORROWER IS UNABLE TO MAKE THE MONTHLY PAYMENTS OR THE BALLOON PAYMENT, BORROWER MAY LOSE THE PROPERTY AND ALL OF THE EQUITY THROUGH FORECLOSURE. KEEP THIS IN MIND IN DECIDING WHETHER TO AGREE TO THE TERMS OF THIS LOAN MODIFICATION.

**PLEASE NOTE FOR HELOC ACCOUNTS WITH ACTIVE DRAW PERIODS -**  
**ONCE THE FINAL MODIFICATION IS EXECUTED AND UPDATED IN OUR SYSTEM ON RECORD, ANY OPEN HELOC DRAW PERIOD WILL BE TERMINATED AND THE ACCOUNT WILL BE CONVERTED TO A CLOSED-END LOAN.**

The debtor(s), MICHAEL T MERKLEY, MARIE E MERKLEY and Summit Funding, Inc through the servicer of the underlying mortgage agreement, PHH Mortgage Corporation, have agreed to modify the terms of said underlying mortgage agreement. Summit Funding, Inc is the owner of the account and retains all rights to collect payments as per the underlying mortgage agreement. PHH Mortgage Corporation remains servicer for said underlying mortgage agreement. This Modification Agreement ("Agreement"), made this 2nd day of January, 2025, ("Modification Agreement Date") between MICHAEL T MERKLEY, MARIE E MERKLEY ("Borrower") and PHH Mortgage Corporation, Lender/Servicer or Agent for Lender/Servicer ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed ("Security Instrument") dated 04/07/2022 and recorded in the Records of KLAMATH County, OR and (2) the Note, bearing the same date as, and secured by, the Security Instrument (collectively "Mortgage Documents"), and encumbers the real and personal property described in the Security Instrument and defined therein as the "Property", located at

31440 HIGH ST , BONANZA, OR 97623

The real property described being set forth as follows:

**(Legal Description Attached as Exhibit if Recording the Modification Agreement)**

In consideration of the agreements made in this Agreement, and other good and valuable consideration which the parties agree they have received, including, but not limited to avoiding foreclosure and its related costs, the Borrower and Lender agree to modify the terms of the Note and Security Instrument (the "Mortgage Documents") as set forth in this Agreement. The Borrower and the Lender also agree that the provisions of this Agreement supersede and replace any inconsistent provisions set forth in the "Mortgage Documents" and any prior modification, forbearance or other loss mitigation agreement.

1. **BORROWER REPRESENTATION AND COVENANTS.** Borrower certifies and represents to Lender and otherwise agree and covenant with Lender that:
  - Borrower is experiencing a financial hardship, and as a result, (i) Borrower is in default under the "Mortgage Documents" or default is imminent, and (ii) Borrower does not have sufficient income or access to sufficient readily available financial assets to make my monthly mortgage payments now or in the near future;
  - There has been no impermissible change in the ownership of the Property since Borrower signed the "Mortgage Documents";
  - Borrower has provided required documentation for all income that Borrower receives and Borrower understands that Borrower is not required to disclose child support or alimony unless Borrower chooses to rely on such income when requesting to qualify mortgage assistance;
  - All documents and information Borrower has provided to Lender in connection with this Agreement, including the documents and information regarding Borrower's eligibility for this modification, are true and correct;
  - Borrower has made or will make all payments required under a trial period plan and has complied with all other requirements of such trial period plan; and
  - Borrower will cooperate fully with Lender in obtaining any title endorsement(s), or similar title insurance product(s), and/or subordination agreement(s) that are necessary or required by the Lender's procedures to ensure that the mortgage as modified by this Agreement is in the first lien position and is fully enforceable upon modification and that if, under any circumstance and notwithstanding anything else to the contrary in this Agreement, the Lender does not receive such title endorsement(s), title insurance product(s) and/or subordination agreement(s), then the terms of this Agreement will not become effective on the Modification

Effective Date and the Agreement will be null and void.

**2. ACKNOWLEDGEMENTS AND PRECONDITIONS TO MODIFICATIONS.** Borrower understands and acknowledges that:

- If, prior to or as of the Modification Effective Date, the Lender determines that any of my certifications or representations set forth in paragraph No. 1 is untrue or any covenant or agreement set forth above in paragraph No. 1 has not been performed, the "Mortgage Documents" will not be modified and this Agreement, except for this paragraph No. 2 is null and void and of no legal effect; and
- The "Mortgage Documents" will not be modified by this Agreement unless and until both (i) the Lender has accepted this Agreement as solely evidenced by Lender's signature on this Agreement or on a copy of this Agreement containing Lender's signature, and (ii) the Modification Effective Date has occurred and the Lender will not be obligated or bound to make any modification of the "Mortgage Documents" if any certification or representation set forth above in paragraph No. 1 is untrue or any covenant or agreement set forth above in paragraph No. 1 has not been performed.

**3. MODIFICATION TERMS.**

If the borrower's representations outlined herein continue to be true in all material respects and all preconditions to the modification have been met, the Loan Documents will automatically become modified on 01/01/2025 ("the "Modification Effective Date") and where applicable, outstanding late charges, fees and penalties will be waived as allowed by the investor, once the loan modification is completed. The Loan Documents will be modified, and the first modified payment will be due on 02/01/2025

- A. The new maturity date is 01/01/2065
- B. As of 01/01/2025, the amount payable under the Note and the Security Instrument (the "New Principal Balance") is U.S.\$173,768.35 consisting of the unpaid amount(s) loaned to the Borrower by Lender plus any interest and other amounts capitalized. Borrower acknowledges that interest has accrued but has not been paid and the Lender also has incurred, paid, or otherwise advanced taxes insurance premiums and other expenses necessary to protect or enforce its interest in the Loan Documents and that such interest, costs and expenses, in the total amount of \$12,831.21, have been added and are included in the New Principal Balance owed under the Note and secured by the Security Instrument. This also includes amounts and arrearages that are past due as of the Modification Effective Date (including, but not limited to, unpaid and any previously deferred principal and interest, fees, escrow advances and other costs, collectively, "Unpaid Amounts") excluding any fees, costs and/or corporate advances not added to the account as of the Modification Agreement Date and amounts not added to the New Principal Balance due to investor and/or mortgage insurer restrictions less any amounts paid to the Lender but not previously credited to the Loan.
- C. The New Principal Balance may represent the sum of the "Deferred Principal Balance" (if applicable), the "Principal Forgiveness" (if applicable) and the "Interest Bearing Principal Balance." The Interest-Bearing Principal Balance is \$168,320.00. Borrower understands that by agreeing to add the Unpaid Amounts to the Unpaid Principal Balance, the added Unpaid Amounts accrue interest based on the interest rate in effect under this Agreement. Borrower also understands that this means interest will now accrue on the unpaid interest that is added to the New Principal Balance, which would not happen without this Agreement.

\$5,448.35 of the New Principal Balance shall be deferred ("Deferred Principal Balance") and Borrower will not pay interest or make monthly payments on this amount. The New Principal Balance less the Deferred Principal Balance shall be referred to as the "Interest Bearing Principal Balance" and this amount is \$168,320.00. Interest will be charged on the Interest Bearing Principal Balance at the yearly rate of 3.87500%, from 01/01/2025. The yearly rate of 3.87500% will remain in effect until principal and interest are paid in full. Borrower promises to make monthly payments of principal and interest of U.S. \$690.45, beginning on 02/01/2025, and continuing thereafter on the same day of each succeeding month until the Interest Bearing Principal Balance and all accrued interest thereon have been paid in full. Borrower promises to also pay any applicable monthly escrow payments as outlined in this agreement. The initial monthly escrow amount is \$382.96. The escrow payments may be adjusted periodically in accordance with applicable law due to changes in property taxes, insurance amounts or other escrow expenses and therefore the total monthly payment may change accordingly. The escrow payment amount shown is based on current data and represents a reasonable estimate of expenditures for future escrow obligations; however, escrow payments may be adjusted periodically in accordance with applicable law. The yearly rate of 3.87500%, will remain in effect until the Interest Bearing Principal Balance and all accrued interest thereon have been paid in full. The Maturity Date will be 01/01/2065 ("Maturity Date"). If on Maturity Date, Borrower still owes amounts under the Note and Security Instrument, as amended by this Agreement, Borrower will pay these amounts in full on the

Maturity Date. Borrower specifically acknowledges that this is a balloon modification and therefore Borrower will have a balloon payment due at maturity in the approximate amount of \$5,448.35 " Balloon Payment."

Borrower's payment schedule for the modified account is as follows:

| Years       | Interest Rate (%) | Interest Rate Change Date | Monthly Principal and Interest Payment Amount | Estimated Monthly Escrow Payment Amount* | Total Monthly Payment*             | Payment Begins On | Number of Monthly Payments |
|-------------|-------------------|---------------------------|---|--|------------------------------------|-------------------|----------------------------|
| 1– Maturity | 3.87500%          | 01/01/2025                | \$690.45                                      | \$382.96<br>Adjusts Periodically         | \$1,073.41<br>Adjusts Periodically | 02/01/2025        | 480                        |

\*The escrow payments may be adjusted periodically in accordance with applicable law due to changes in property taxes, insurance amounts or other escrow expenses and therefore the total monthly payment may change accordingly. The escrow payment amount shown is based on current data and represents a reasonable estimate of expenditures for future escrow obligations; however, escrow payments may be adjusted periodically in accordance with applicable law.

Borrower promises to also pay any applicable monthly escrow payments as outlined in this agreement. The initial monthly escrow amount is \$382.96. The escrow payments may be adjusted periodically in accordance with applicable law due to changes in property taxes, insurance amounts or other escrow expenses and therefore the total monthly payment may change accordingly. The escrow payment amount shown is based on current data and represents a reasonable estimate of expenditures for future escrow obligations; however, escrow payments may be adjusted periodically in accordance with applicable law.

Borrower agrees to pay in full the Deferred Principal Balance and any other amounts still owed under the Note and the Security Instrument by the earliest of: (i) The date Borrower sells or transfers an interest in the Property, (ii) The date Borrower pays the entire Interest-Bearing Principal Balance, or (iii) The new Maturity Date.

1. **TRANSFER OF THE PROPERTY OR BENEFICIAL INTEREST IN BORROWER.** As used in this paragraph, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser or other third party.
2. If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by the Security Instrument.

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

3. **SECURITY INSTRUMENT.** Borrower also will comply with, to the extent that they are modified by this Agreement, 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; however, the following terms and provisions are forever cancelled, null and void, as of the modification effective date:
  - 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
  - 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.
4. **ADDITIONAL AGREEMENTS.** Borrower understands and agrees that:
  - All the rights and remedies, stipulations, and conditions contained in the Security Instrument relating to default in the making of payments under the Security Instrument shall also apply to default in the making of the modified payments hereunder.

- All covenants, agreements, stipulations, and conditions in the Note and Security Instrument shall be and remain in full force and effect, except as herein modified, and none of the Borrower's obligations or liabilities under the Note and Security Instrument shall be diminished or released by any provisions hereof, nor shall this Agreement in any way impair, diminish, or affect any of Lender's rights under or remedies on the Note and Security Instrument, whether such rights or remedies arise thereunder or by operation of law. Also, all rights of recourse to which Lender is presently entitled against any property or any other persons in any way obligated for, or liable on, the Note and Security Instrument are expressly reserved by Lender. The "Mortgage Documents" as modified by this Agreement are duly valid, binding agreements, enforceable in accordance with their terms and are hereby reaffirmed.
- Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument.
- Borrower agrees to make and execute such other documents or papers as may be necessary or required to consummate the terms and conditions of this Agreement or correct the terms and conditions of this Agreement if an error is detected after execution of this agreement and which, if approved and accepted by Lender, shall bind and inure to the heirs, executors, administrators, of the Borrower or the Borrower's estate. Borrower understands that either a corrected Agreement or a letter agreement containing the correction will be provided for signature where necessary. At Lender's option, this Agreement will be void and of no legal effect upon notice of such error. If Borrower elects not to sign any such corrective documentation, the terms in effect directly prior to the mortgage modification offer shall continue in full force and effect, such terms will not be modified by this Agreement, and Borrower will not be eligible for a modification under any of Lender's available modification programs.
- Borrower authorizes Lender, and Lender's successors and assigns, to share Borrower information including, but not limited to (i) name, address, and telephone number, (ii) Social Security Number, (iii) credit score, (iv) income, (v) payment history, (vi) account balances and activity, including information about any modification or foreclosure relief programs, with Third Parties that can assist Lender and Borrower in obtaining a foreclosure prevention alternative, or otherwise provide support services related to Borrower's account. For purposes of this section, Third Parties include a counseling agency, state or local Housing Finance Agency or similar entity, any insurer, guarantor, or servicer that insures, guarantees, or services Borrower's mortgage or any other mortgage secured by the Property on which Borrower is obligated, or to any companies that perform support services to them in connection with Borrower's mortgage.

Borrower consents to being contacted by Lender or Third Parties concerning mortgage assistance relating to Borrower's mortgage including the trial period plan to modify Borrower's account, at any telephone number, including mobile telephone number, or email address Borrower has provided to Lender or Third Parties.

By checking this box, Borrower also consents to being contacted by text messaging ☒

5. By this paragraph, Lender is notifying Borrower that any prior waiver by Lender of Borrower's obligation to pay to Lender Funds for any or all Escrow Items is hereby revoked and Borrower has been advised of the amount needed to fully fund the Escrow Items.

Borrower will pay to Lender on the day payments are due under the "Mortgage Documents" as amended by this Agreement, until the mortgage is paid in full, a sum ("Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over the Mortgage as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under the "Mortgage Documents"; (d) mortgage insurance premiums, if any, or any sums payable to Lender in lieu of the payment of mortgage insurance premiums in accordance with the "Mortgage Documents"; and (e) any community association dues, fees, and assessments that Lender requires to be escrowed. These items are called "Escrow Items." Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in the "Mortgage Documents", as the phrase "covenant and agreement" is used in

the "Mortgage Documents". If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under the "Mortgage Documents" and this Agreement and pay such amount and Borrower shall then be obligated to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with the "Mortgage Documents", and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this paragraph.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under the Real Estate Settlement Procedures Act ("RESPA"), and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with applicable law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and applicable law permits Lender to make such a charge. Unless an agreement is made in writing or applicable law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Lender and Borrower can agree in writing, however, that interest shall be paid on the Funds. Lender shall provide Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by the "Mortgage Documents", Lender shall promptly refund to Borrower any Funds held by Lender.

6. That if any document related to the "Mortgage Documents" and/or this Agreement is lost, misplaced, misstated, inaccurately reflects the true and correct terms and conditions of the account as modified, or is otherwise missing, I will comply with the Lender's request to execute, acknowledge, initial and deliver to the Lender any documentation the Lender deems necessary as outlined in this Agreement. If the Note is replaced, the Lender hereby indemnifies me against any loss associated with a demand on the Note. All documents the Lender requests of me under this section Agreement shall be referred to as "Documents". I agree to deliver the Documents within ten (10) days after I receive the Lender's written request for such replacement.
7. This Agreement may not be supplemented, changed, modified or omitted except by written document executed by both me and PHH Mortgage Services. This Modification constitutes the entire agreement between me and PHH Mortgage Services and, supersedes all previous negotiations and discussions between me, PHH Mortgage Services and/or PHH Mortgage Services predecessors in interest, and neither prior evidence nor any prior or other agreement shall be permitted to contradict or vary its terms. There are no promises, terms, conditions, or obligations other than those contained in this Agreement.
8. Borrower agrees that all costs and expenses incurred by Lender in connection with this Agreement, including recording fees, title examination, and attorney's fees, shall be paid by the Borrower and shall be secured by the Security Instrument, unless stipulated otherwise by Lender.
9. Borrower understands that Borrower may not assign the "Mortgage Documents" or this Agreement to a buyer or transferee of the Property and, unless expressly agreed to by Lender in writing, such buyer or transferee will not be permitted to assume the Loan.
10. That the mortgage insurance premiums on Borrower's account, if applicable, may increase as a result of the Capitalization Amount which will result in a higher total monthly payment. Furthermore, the date on which Borrower may request cancellation of mortgage insurance may change as a result of the new Unpaid Principal Balance.
11. Borrower will be in default if Borrower does not comply with the terms of the "Mortgage Documents", as modified by this Agreement; that all the rights and remedies, stipulations, and conditions contained in the Security Instrument relating to default in the making of payments under the Security Instrument also apply to default in the making of payments due under this Agreement; and that Borrower will be in default if, during the loss mitigation application process, Borrower or any persons or entities acting at Borrower's direction or with my knowledge or consent gave materially false, misleading, or

inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with my mortgage or application for mortgage assistance, such material representations include, but are not limited to, representations concerning my income, hardship, Property, and occupancy of the Property.



## **BORROWER ACKNOWLEDGEMENT – MODIFICATION AGREEMENT**

**IMPORTANT – Do NOT sign this Agreement unless you are in the presence of a notary. If extenuating circumstances prevent one notary signature, separately signed and notarized agreements will be accepted; however, the agreements must be returned in the same package to PHH Mortgage Corporation.**

Each of the Borrower(s) and the Lender acknowledge that no representations, agreements or promises were made by the other party or any of its representatives other than those representations, agreements or promises specifically contained herein. This Agreement, and the Note and Security Instrument (as amended hereby) set forth the entire understanding between the parties. There are no unwritten agreements between the parties.

All individuals on the mortgage, note and the property title must sign this Agreement.

All signatures must exactly match the names that are printed in the Agreement, as well as the names on the recorded deed for the property.

11/15/2025

Date

Michael T Merkley  
MICHAEL T MERKLEY

11/15/2025

Date

Marie E Merkley  
MARIE E MERKLEY

State of Oregon

County of Klamath

On this 15 day of January, 2025, before me, the undersigned, a Notary Public in and for said county and state, personally appeared Michael T. Merkley; Marie E. Merkley

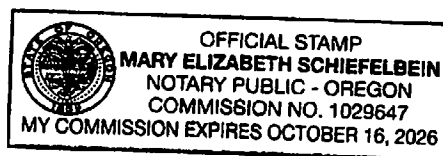
☐ personally known to me ☒ or identified to my satisfaction through the following valid identification documentation: Drivers License to be the person(s) who executed the within instrument, and they duly acknowledged that said instrument is their free act and deed, and that they, being authorized to do so, executed and delivered said instrument for the purposes therein contained.

Witness my hand and official seal.

Mary Elizabeth Schiefelbein  
Notary Public

My Commission Expires: 10-16-26

Please ensure the Notary signature is legible and the seal/stamp is clear and visible and does not overlap any text or signatures.



## LENDER ACKNOWLEDGEMENT

(For Lender's Signature Only)

8067

Lender acknowledges that no representations, agreements or promises were made or any of its representations other than those representations, agreements or promises specifically contained herein. This Agreement, and the Note and Security Instrument (as amended hereby) set forth the entire understanding between the parties. There are no unwritten agreements between the parties.

PHH MORTGAGE CORPORATION

  
~~Notary Public~~ Lizet Morales-Perez  
Servicing Operations Specialist

FEB 11 2025

Date

State of Florida

County of Palm Beach

On this FEB 11 2025 day of FEB 11 2025 before me, the undersigned, a Notary Public in and for said county and state, personally appeared Lizet Morales-Perez

☒ personally known to me or ☐ identified to my satisfaction through the following valid identification documentation: n/a, to be the person(s) who executed the within instrument as Servicing Operations Specialist of PHH Mortgage Corporation., said instrument is their free act and deed, and that they, being authorized to do so, executed and delivered said instrument for the purposes therein contained.

Witness my hand and official seal.



  
Notary Public Felicia Perry

My Commission Expires: AUG 04 2028

Please ensure the Notary signature is legible and the seal/stamp is clear and visible and does not overlap any text or signatures.

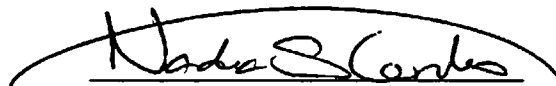
**SUMMIT FUNDING, INC. BY ITS ATTORNEY-IN-FACT PHH  
MORTGAGE CORPORATION**



By: Lizet Morales-Perez  
Servicing Operations Specialist

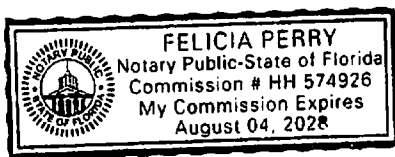
Date: 11-February-2025

WITNESSES:


  
Joseph DiPasquantonio  
Nadia S Cordero

STATE OF Florida }  
COUNTY OF Palm Beach }

On 11-February-2025, before me, the undersigned Notary Public, personally appeared Lizet Morales-Perez, Servicing Operations Specialist, of SUMMIT FUNDING, INC. BY ITS ATTORNEY-IN-FACT PHH MORTGAGE CORPORATION, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, that by her signature on the instrument, the individual(s) or person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in the county of Palm Beach, State of Florida.



Witness my hand and official seal.

  
Notary – \_\_\_\_\_  
State of Florida  
County of Palm Beach

**Felicia Perry**

Prepared by: Lizet Morales-Perez

EXHIBIT 'A'

THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE CITY OF BONANZA, COUNTY OF KLAMATH AND STATE OF OREGON, AND DESCRIBED AS FOLLOWS:

THE WEST 25 FEET OF LOT 3 AND THE EAST 37.5 FEET OF LOT 4, BLOCK 32, GRANDVIEW ADDITION TO BONANZA, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

**Certificate of Preparation**

This is to certify that this instrument was prepared by PHH Mortgage Corporation, one of the parties named in the instrument.

A handwritten signature in black ink, appearing to read 'Lizet Morales-Perez', written over a horizontal line.

**Lizet Morales-Perez**  
Servicing Operations Specialist

LOSS MITIGATION

PHH Mortgage Corporation  
Loss Mitigation Department  
5720 Premier Park Dr  
West Palm Beach, FL 33407  
1-800-850-4622