

2006-017259

Klamath County, Oregon

Recording Requested By:
Aspen Title & Escrow, Inc.
525 Main Street
Klamath Falls, OR 97601



00002263200600172590070076

When Recorded Return To:

08/28/2006 03:16:02 PM

Fee: \$51.00

Aspen Title & Escrow, Inc.
525 Main Street
Klamath Falls, OR 97601

Until requested otherwise, send all tax statements:

ASPEN: 62264 MS

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

COVER SHEET

DOCUMENT:

Modification
Permanent Loan Extension Agreement

GRANTOR:

Gordon D. and Judith E. Sawser

TRUSTEE:

GRANTEE:

Wells Fargo Bank

CONSIDERATION:

\$

DATE:

\$51-A

PERMANENT LOAN EXTENSION AGREEMENT

This Permanent Loan Extension Agreement (this "Agreement") is made to be effective as of the 23rd day of August, 2006, and is incorporated into and shall be deemed to amend, supplement and extend the Mortgage, Deed of Trust, Deed or Security Deed (the "Security Instrument") dated as of the 12th day of October, 2005, executed by the undersigned Borrower(s) (referred to herein as "Borrower", whether one or more), in favor of Wells Fargo Bank, National Association ("Lender"). (Lender and its successors and assigns shall be referred to herein as the "Note Holder".) The Security Instrument secures a Note (the "Note") dated the same date as the Security Instrument payable to the order of Lender. All terms defined in the Security Instrument shall have the same meaning in this Agreement. The mortgage was recorded as M05-66793 on the 18th day of October, 2005.

ADDITIONAL COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower (and each Borrower if more than one) further covenants and agrees as follows:

1. **PERMANENT LOAN.** The Security Instrument, as amended and extended by this Agreement, secures a permanent mortgage loan that replaces a construction loan between Lender and Borrower dated the same date as the Security Instrument and evidenced by the Note with a Construction Loan Addendum Amending Note. The Note, as amended by a Permanent Loan Addendum amending Note, evidences the permanent mortgage loan. Upon execution of this Agreement and the Permanent Loan Addendum, the terms and conditions of the Construction Loan Addendum Amending Note shall be of no further force and effect.

2. **DEFINITIONS.** The definitions set forth in the Security Instrument are amended as follows:

"Lender". Lender's address is P.O. BOX 10304, Des Moines, IA 50306-0304.

"Note". The Note states that the Borrower owes Lender Three Hundred Thirty Six Thousand and Eight Hundred Dollars (U.S. \$336,800.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than September 01, 2036.

"Riders". Riders are to be executed by Borrower [check box as applicable]:

- | | | |
|---|--|--|
| <input type="radio"/> Adjustable Rate Rider | <input type="radio"/> Condominium Rider | <input checked="" type="radio"/> Second Home Rider |
| <input type="radio"/> Balloon Rider | <input checked="" type="radio"/> PUD Rider | <input type="radio"/> 1-4 Family Rider |
| <input type="radio"/> VA Rider | <input type="radio"/> Biweekly Payment Rider | <input type="radio"/> Other(s) [specify] |

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

BORROWER(S)

Gordon D. Sawser
Name: GORDON D SAWSER

Judith E. Sawser
Name: JUDITH E SAWSER

STATE OF Oregon
Mecham County ss:

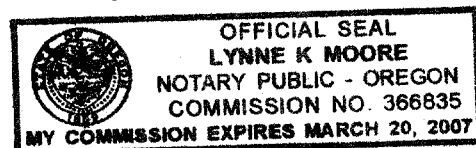
On this 25th day of August 2006, I, a Notary Public in and for said county and in said state, hereby certify that Judith E. Sawser & Gordon whose name(s) is/are signed to the foregoing conveyance, and who is/are know to me, acknowledged before me that, being informed of the contents of the conveyance, he/she/they executed the same voluntarily and as his/her/their act on the day the same bears date.

Given under my hand and seal of office this 25th day of August 2006.

My Commission Expires: 3/20/07

Lynne K. Moore
Notary Public

Prepared By: Natalya Kravets



PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this **23RD** day of **AUGUST, 2006**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to **WELLS FARGO BANK, N.A.**

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at: **11928 TURNSTONE DR, KLAMATH FALLS, OR 97601**

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in **COVENANTS, CONDITIONS AND RESTRICTIONS** (the "Declaration"). The Property is a part of a planned unit development known as **RUNNING Y RESORT**

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

PUD COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.


0052848223

MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3150 1/01

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Initials: *js ds*

 -7R (0008)

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B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, for which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this PUD Rider.

Gordon D. Sawser (Seal)
GORDON D SAWSER -Borrower

Judith E. Sawser (Seal)
JUDITH E SAWSER -Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

____ (Seal)
-Borrower

SECOND HOME RIDER

THIS SECOND HOME RIDER is made this **23RD** day of **AUGUST, 2006**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower" whether there are one or more persons undersigned) to secure Borrower's Note to **WELLS FARGO BANK, N.A.**

(the "Lender") of the same date and covering the Property described in the Security Instrument (the "Property"), which is located at:
11928 TURNSTONE DR, KLAMATH FALLS, OR 97601

[Property Address]

In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree that Sections 6 and 8 of the Security Instrument are deleted and are replaced by the following:

6. Occupancy. Borrower shall occupy, and shall only use, the Property as Borrower's second home. Borrower shall keep the Property available for Borrower's exclusive use and enjoyment at all times, and shall not subject the Property to any timesharing or other shared ownership arrangement or to any rental pool or agreement that requires Borrower either to rent the Property or give a management firm or any other person any control over the occupancy or use of the Property.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's 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 the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's second home.


0052848223

MULTISTATE SECOND HOME RIDER - Single Family -
Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

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Form 3890 1/01

Initials: *js* *HL*

 365R (0011)

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Second Home Rider.

Gordon D. Sawser (Seal)
GORDON D SAWSER - Borrower

Judith E. Sawser (Seal)
JUDITH E SAWSER - Borrower

____ (Seal)
- Borrower

____ (Seal)
- Borrower

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- Borrower

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- Borrower

____ (Seal)
- Borrower

____ (Seal)
- Borrower