



04/10/2007 11:25:24 AM

Fee: \$61.00

MTCT3492-KR

AFTER RECORDED RETURN TO:

Bank of America, N.A.

ATTN: Construction

9000 Southside Blvd., Ste. 700

Jacksonville, FL 32256

PARCEL NUMBER:

LOAN NUMBER: 6709121427

Prepared by:

Barbara Leuellen

Robertson & Anschutz

10333 Richmond Avenue, Suite 550

Houston, TX 77042

713-871-9600

**NOTE AND SECURITY INSTRUMENT
MODIFICATION AGREEMENT**

The State of **Oregon**

County of **Klamath**

§
§
§
§

KNOW ALL MEN BY THESE PRESENTS:

Recitals

This agreement ("Modification Agreement") is made on **March 01, 2007**, between **Michael Cornachione and Harriet S. Cornachione**, as tenants by the entirety, (herein "Borrower") and **Bank of America, N.A.** (herein "Lender"), whose loan servicing address is **P.O. Box 9000, Getzville, NY 14068-9000**, for a Modification of that certain Deed of Trust, Mortgage or Security Deed, and any riders thereto (the "Security Instrument") and Note dated **April 04, 2006**, in favor of **Bank of America, N.A.**, and any addenda thereto, and any previous modification(s) thereof, said Note being in the original principal amount of **\$348,000.00**, said Security Instrument having been recorded in/under MC10-010032 of the Official Records of Real Property of **Klamath County, Oregon**, covering property described as follows:

See Exhibit "A" attached hereto and made a part hereof for all purposes

WITNESSETH:

WHEREAS, Borrower now desires to modify the Note and ratify said liens against the Property; and

WHEREAS, Lender, the legal owner and holder of said Note and liens securing same, in consideration of the premises and at the request of the Borrower has agreed to modify the Note as hereinafter provided; and

WHEREAS, Borrower and Lender desire that the address on the Security Instrument and Note be modified to read as follows: **7329 Peregrine Heights, Klamath Falls, OR 97601**; and

WHEREAS, Borrower and Lender desire that the Security Instrument and Note be modified as herein provided but that all terms not so modified remain unchanged and in full force and effect.

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NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree that the Note and Security Instrument are hereby modified as shown in "ATTACHMENT A", attached hereto and made a part hereof for all purposes.

Further, it is expressly agreed that for and in consideration of this Modification Agreement, Borrower hereby releases and forever discharges Lender and its officers, directors, counsel, employees, agents, predecessors, successors, and assigns from all causes of action, claims, rights, and controversies, known or unknown, which Borrower had, now has, or may hereafter acquire which relate to, are based on, arise out of, or are in any way connected with any acts of Lender or its above affiliates occurring prior to the execution of this Agreement and relating in any manner to the above described Note or Security Instrument or the Property described herein or therein. This is a general release of all possible claims and causes of action of every kind and character related to the above described subject matter and is to be interpreted liberally to effectuate maximum protection of Lender and its above affiliates.

The Borrower hereby ratifies said liens on the Property until the Note as so modified hereby has been fully paid, and agrees that this renewal, extension and/or modification shall in no manner affect or impair the Note or the liens securing same and that said liens shall not in any manner be waived, but are acknowledged by Borrower to be valid and subsisting, the purpose of this instrument being simply to modify the Security Instrument and the time and manner of payment of the Note and ratify all liens securing same, and the Borrower further agrees that all terms and provisions of the Note, the Security Instrument and the other instruments creating or fixing the liens securing same shall be and remain in full force and effect as therein written except as otherwise expressly provided herein.

A breach or other default of any of the terms of this Agreement by Borrower shall constitute a breach or default under the Note and Security Instrument, and Lender shall thereupon have the right to seek all remedies available to it under the aforesaid loan instruments.

Borrower covenants and agrees that the rights and remedies of Lender under this Agreement are cumulative of, are not in lieu of but are in addition to, and their exercise or the failure to exercise them shall not constitute a waiver of, any other rights and remedies which Lender shall have under the Note or the Security Instrument.

Borrower covenants and agrees that this Agreement represents the final agreement between Borrower and Lender relating to the above described subject matter and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties hereto. Borrower further covenants and agrees that there are no unwritten oral agreements between parties hereto relating to the above described subject matter.

As used herein "Lender" shall mean **Bank of America, N.A.** or any future holder, whether one or more, of the Note.

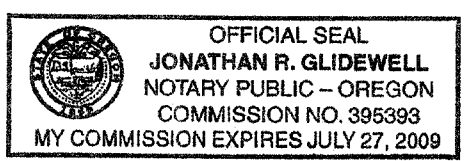
EXECUTED this the 21st day of MARCH to be effective **March 01, 2007.**

Michael Cornachione 3/21/07
Michael Cornachione Date

Harriet S. Cornachione 3/21/07
Harriet S. Cornachione Date

STATE OF OREGON, KLAMATH County

On this 21 day of MARCH, 2007, personally appeared the above named **Michael Cornachione and Harriet S. Cornachione** and acknowledged the foregoing instrument to be his / her / their voluntary act and deed.
Before Me



Jonathan Glidewell
Notary Public
JONATHAN GLIDEWELL, Personal Banker
Name and title
My commission expires: JULY 27, 2009

ACCEPTED AND AGREED TO BY
THE OWNER AND HOLDER OF SAID NOTE:
BANK OF AMERICA, N.A.

By: Judy L. Beller
Name: Judy L. Beller
Title: Vice President

Witness: Jan Bissell

Witness: Ann Randle

Corporate Acknowledgement

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, the undersigned authority, on this day personally appeared Judy L. Beller, as Vice President of Bank of America, N.A. known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that she executed the same for the purposes and consideration therein expressed, in the capacity therein stated, as the act and deed of said corporation.

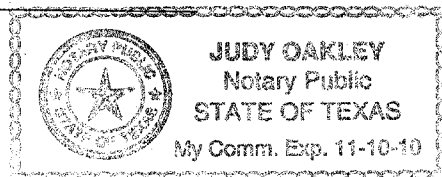
GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 23rd day of March, 2007.

My Commission Expires:

Judy Oakley

Notary Public in and for
The State of Texas

Name:



ATTACHMENT A

The Note shall be and hereby is amended as follows:

The beginning date for monthly payments of principal and interest set forth in paragraph 3 is changed from **March 01, 2007** to **April 01, 2007**.

The Maturity Date is changed from **February 01, 2037** to **March 01, 2037**.

The Addendum or Rider to Note shall be and hereby is amended as follows:

The "Rollover Date" as defined therein is changed from **February 01, 2007** to **March 01, 2007**.

The Security Instrument shall be and hereby is amended as follows:

Reference to the maturity date of the debt secured by the Security Instrument is changed from **February 01, 2037** to **March 01, 2037**.

The address of the Property is modified to **7329 Peregrine Heights, Klamath Falls, OR 97601**.

EXHIBIT "A"

Lot 46, Tract 1460 - GRAY ROCK PHASE 3, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

FINAL WAIVER AND RELEASE OF LIEN

The undersigned ("Affiant"), being first duly sworn, deposes and says:

Affiant is a general contractor, subcontractor, materialman, other entity, or an officer, agent, or representative of same, who or which has furnished services, labor, or materials ("Contractor") in the construction, repair, and/or replacement (the "Work") of improvements upon real property owned by **Michael Cornachione and Harriet S. Cornachione, as tenants by the entirety** ("Borrower"), located at * **Gray Rock Klamath Falls, OR 97601** in **Klamath County, Oregon**, and described as follows:

SEE EXHIBIT 'A' LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART
HEREOF FOR ALL PURPOSES

Contractor has furnished:

(Describe nature of Labor/Materials on the above project.)

Original contract sum:	\$ 280,000.00
Net change by change orders:	\$
Contract sum to date:	\$
Total Completed and stored to date:	\$
Retainage:	\$
Total earned less retention:	\$
Less: Previous certificates for payment:	\$
Current Payment:	\$

The total of all charges for and in connection with all such services, labor and/or materials performed or furnished by Contractor has been paid in full to Contractor. Affiant, as Contractor or as an officer, agent, or representative of Contractor hereby acknowledges complete satisfaction of and in consideration thereof hereby absolutely and forever waives and releases all claims of every kind against Borrower, each and every party making a loan on said real property, as improved and **Amerititle** ("Title Insurance Company"), and their respective successors and assigns, or the property referred to above or any other property of Borrower, including, but not limited to all liens and claims of liens, that Contractor may have as a result of or in connection with the performance or furnishing of such services, labor and/or materials.

Affiant, as Contractor or as an officer, agent, or representative of Contractor, has further represented and warranted and does hereby represent and warrant that (a) Contractor has not assigned and will not assign any claim for payment or any right to perfect a lien against said property, (b) all persons or entities who have furnished services, labor, or materials to Contractor in connection with the Work have been paid all amounts to which they have or may become entitled therefore, and (c) Contractor's portion of the Work is fully completed in accordance with the final plans and specifications therefore.

Affiant does further represent that this affidavit and waiver is made and given for the purpose of inducing the construction loan lender **Bank of America, N.A.** to advance all remaining funds due under its construction loan to borrower and to induce **Amerititle** to issue its policies of title insurance (owner's and lender's) and endorsement to those policies without exception to the claims of mechanics or materialmen.

Affiant, as Contractor or as an officer, agent, or representative of Contractor, hereby agrees unconditionally to indemnify Borrower and hold Borrower harmless from and against all liability, loss, cost, or expense (including, but not limited to, attorneys' fees) now or hereafter incurred, paid, or suffered by or asserted against Borrower or any of Borrower's property because of any claim or action by Contractor with respect to the claims, liens, and rights herein waived and released or arising out of any breach or untruth of any warranty or representation herein made.

In consideration of the sum of One Dollar (\$1.00) cash in hand paid to the undersigned, the receipt and sufficiency of which is hereby acknowledged, and other benefits accruing, the undersigned does hereby waive,

release, and quitclaim in favor of (1) the owner of said real estate, as improved; (2) each and every party making a loan on said real estate, as improved; and (3) **Amerititle**, and their respective successors and assigns, all right or claim that the undersigned may have to a lien upon the above-described land and improvements.

Affiant represents that Affiant is duly authorized to execute this document on behalf of Contractor.

All of the provisions of this document shall bind Affiant, Contractor, and their heirs, legal representatives, successors and assigns, and shall inure to the benefit of Borrower and Borrower's heirs, legal representatives, successors, assigns and sureties.

IT IS UNDERSTOOD AND AGREED THAT THIS WAIVER AND RELEASE IS FOR ALL SERVICES RENDERED, WORK DONE AND MATERIAL FURNISHED HERETOFORE OR HEREAFTER and is for all such services rendered, work done and material furnished and not only for the particular item indicated above.

WITNESS the following signature and seal this 6th day of March, 2007.

Klamath Custom Construction, Inc.

By: [Signature]

Name: Cory Alexander

Title: PRES

Affiant

INDIVIDUAL ACKNOWLEDGEMENT

STATE OF Oregon §
COUNTY OF Klamath §

This instrument was acknowledged before me on _____, by _____.

Notary Public, State of Oregon

My commission expires: _____

Printed Name of Notary Public

CORPORATE ACKNOWLEDGEMENT

STATE OF Oregon §
COUNTY OF Klamath §

This instrument was acknowledged before me on this 6th day of March, 2007,
by Cory Alexander, PRES of Klamath Custom
Construction, Inc., a Oregon Corporation, on behalf of said
corporation.

Notary Public, State of Oregon

My commission expires: 12/20/10

Printed Name of Notary Public

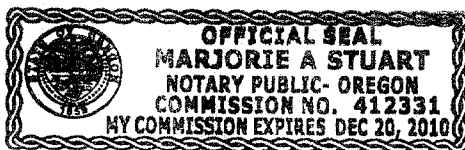


EXHIBIT "A"

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