

2009-002200

Klamath County, Oregon



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02/17/2009 09:19:44 AM

Fee: \$51.00

This instrument was prepared by:
Katrina R. Smith
Charles Schwab Bank, N.A.
5201 Gate Parkway Jacksonville, FL 32256

Record and Return to:
Charles Schwab Bank, N.A.

2001 Bishops Gate Boulevard
Mount Laurel, NJ 08054
Mailstop: DC
Loan Number: 0041846924
Parcel Identifier: R887991

ORIGINAL

MODIFICATION AGREEMENT

This **MODIFICATION AGREEMENT** (this "Agreement") is entered into this **January 8th, 2009**, by and between **William T. Shupe, Maureen E Topping**, who reside at **4511 COOPERS HAWK KLAMATH FALLS, OR 97601** (herein individually and collectively referred to as "Borrower"), and **Charles Schwab Bank**, a **Organization** (herein referred to as "Lender").

*N.A.

**** HUSBAND AND WIFE*

WHEREAS, Lender is the owner and holder of that certain mortgage or deed of trust (the "Security Instrument"), dated **May 31, 2007**, made by Borrower as trustor or mortgagor, as the case may be, to Lender as beneficiary or mortgagee, as the case may be, recorded on 6/5/07 in Doc. # 2007-010069, _____, if applicable, of the Public/Land Records of **KLAMATH COUNTY**, state of **OR**, securing a debt evidenced by a promissory note (the "Note") dated **May 31, 2007**, which Security Instrument encumbers the property more particularly described in the attached Exhibit B; and

WHEREAS, the Borrower, being the owner in fee simple of all of the property encumbered by the Security Instrument, has requested that Lender modify the Note and the Security Instrument (but only to the extent that the Note is incorporated therein by reference), and the parties have mutually agreed to modify the terms thereof in the manner hereafter stated.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. As of the date of execution hereof, the terms and conditions of the Note, and the corresponding portions of the Security Instrument, are modified as set forth in Exhibit A attached hereto and made a part hereof.
2. The unpaid principal balance due under the Note as of the date of this Agreement is \$250,000.00.
3. Borrower warrants that Borrower has no existing right of offset, counterclaim, or other defenses against enforcement of the Note and Security Instrument by Lender and that, if any such right or defenses do exist, they are hereby waived and released.
4. This Agreement shall supersede for all purposes any and all conflicting terms and conditions provided for in the Note and Security Instrument, but shall be construed as supplemental as to any non-conflicting term or condition stated therein. The Note and Security Instrument shall continue to evidence and secure the Borrower's indebtedness thereunder as modified herein. The parties intend and agree that this Agreement is not a novation of Borrower's loan obligation. Except to the extent provided otherwise herein, neither the Note nor the Security Instrument is modified by this Agreement and they shall remain in full force and effect until the obligations secured thereunder are paid in full and the Security Instrument is satisfied of record.
5. This Agreement shall inure to the benefit of, and shall be binding upon, the assigns, successors in interest, personal representatives, estates, heir, and legatees of each of the parties hereto.
6. If the spouse of the Borrower, _____, is not obligated on the Note, (i) then this Agreement has been executed by the spouse of the Borrower only to evidence his/her consent to the modifications of the Note and Security Instrument described herein and to the other terms hereof; and (ii) said spouse shall not be personally obligated to pay the sums owed under the terms of the Note and this Agreement.
7. This Agreement contains the entire agreement of the parties hereto with regard to modifications of the Note and supersedes any prior written or oral agreements between them concerning the subject matter contained herein, and no party hereto has relied upon any representations except such as are specifically set forth herein. This Agreement may not be modified, changed or amended except by written instrument signed by Lender and Borrower. This Agreement shall be governed by the laws of the state in which the property encumbered by the Security Instrument is located.

Executed on the date first above written.

Witnesses:

Cherice F. Treasure
Name: CHERICE F. TREASURE
(Witness)

Debbie Sinnocu
Name: DEBBIE SINNOCU
(Witness)

Cherice F. Treasure
Name: CHERICE F. TREASURE
(Witness)

Debbie Sinnocu
Name: DEBBIE SINNOCU
(Witness)

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

William T. Shupe (Seal)
William T. Shupe
-Borrower
4511 COOPERS HAWK
KLAMATH FALLS, OR 97601

Maureen E Topping (Seal)
Maureen E Topping
-Borrower
4511 COOPERS HAWK
KLAMATH FALLS, OR 97601

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

STATE OF OREGON, KLAMATH County ss:

On this 26 day of January, 2009, personally appeared the above named William T. Shupe, Maureen E Topping, HUSBAND AND WIFE

and acknowledged the foregoing instrument to be his/her/~~their~~ voluntary act and deed.

My Commission Expires:

11/20/2011

(Official Seal)

Before me:

Lisa Weatherby
Notary Public for Oregon Lisa Weatherby



Charles Schwab Bank , N.A.

By: *Jorjette C. Witt*
Jorjette C. Witt
Director

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 28th day of January 2009, by Jorjette C. Witt, Director of Charles Schwab Bank*^a Organization organized under the laws of the state of United States of America on behalf of said Organization. This person is personally known to me.

*N.A.



Katrina R. Smith
Name: *Katrina R. Smith*
Notary Public, State of Florida
Commission No:
My Commission Expires:

EXHIBIT A

- (a) Beginning on March 1st, 2009, and on the first day of every month thereafter until March 1st, 2016, Borrower will pay principal and interest on the unpaid principal balance of the Note at an initial yearly fixed rate of 5.396%. Borrower's initial monthly payment will be in the amount of \$ 1,403.21. Thereafter, beginning on the first day of March 1st, 2016, Borrower will make monthly payments of principal and interest.
- (b) Beginning on the first day of February, 2016, the initial fixed interest rate Borrower will pay will change to an adjustable interest rate, and the adjustable interest rate Borrower will pay may change on that day every 12th month thereafter. The date on which Borrower's initial fixed interest rate changes to an adjustable interest rate, and each date on which Borrower's adjustable interest rate could change is called a "Change Date."
- (c) The interest rate at the first Change Date will not be greater than 10.396% or less than 2.250%. Thereafter, the adjustable interest rate will never be increased or decreased on any single Change Date by more than Two percentage point(s) (2.000%) from the rate of interest paid for the preceding 12 months. My interest rate will never be greater than 10.396%.
- (d) Before each change date, the Note Holder will calculate my new interest rate by adding Two and Twenty-Five / Hundredths percentage points (2.250%) to the Current Index. The Note Holder will then round the results of this addition to the nearest one-eighth of one percentage point (0.125%).
- (e) The monthly payments, determined precisely in the manner stated in this Note and giving effect to the modifications stated herein, shall continue until the entire indebtedness is fully paid, except that the final payment of the remaining indebtedness shall be due and payable on February 1st, 2039 (the "Maturity Date").

EXHIBIT B

LEGAL DESCRIPTION

Lot 825, RUNNING Y RESORT, PHASE 10, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Also known as:

**4511 COOPERS HAWK
KLAMATH FALLS
OR
97601**