

Prepared By:  
NAME AND RETURN ADDRESS

GUARANTY BANK  
4000 W Brown Deer Road  
Brown Deer, WI 53209  
Attn: LOAN ADMINISTRATION  
After recording, return recording  
information to:

American Title, Inc.

PO Box 641010

Omaha, NE 68164-1010

Hook

GB 11822558

FNMA 11822558

2009-007863

Klamath County, Oregon



00067324200900078630040044

06/08/2009 09:14:41 AM

Fee: \$36.00

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### LOAN MODIFICATION AGREEMENT

This Loan Modification Agreement ("Agreement"), made this **03/12/2009**, between **Richard B Hook and Leticia M Hook** ("Borrower") and **Guaranty Bank, successor to MERS** ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), and Timely Payment Rewards Rider, if any, dated **12/26/2007** and filed for record on **12/26/2007** in the office of the Recorder of **Klamath County, Oregon** as Document Number **2007-021459**, and (2) the Note bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described in the Security Instrument and defined therein as the "Property", located at: **2184 Ogden Street, Klamath Falls, OR 97603**, the real property described being set forth as follows:

**A PORTION OF THE SW 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

**BEGINNING AT A POINT 660 FEET EAST AND 396 FEET NORTH OF AN IRON PIN DRIVEN INTO THE GROUND AT THE SOUTHWEST CORNER OF THE NW 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, ON THE PROPERTY OF OTIS V. SAYLOR WHICH IRON PIN IS 30 FEET EAST OF THE CENTER OF A ROAD INTERSECTING THE KLAMATH FALLS-LAKEVIEW HIGHWAY FROM THE NORTH AND 30 FEET NORTH OF THE CENTER OF SAID HIGHWAY; THENCE WEST 330 FEET; THENCE NORTH 66 FEET; THENCE EAST 330 FEET; THENCE SOUTH 33 FEET TO THE PLACE OF BEGINNING.**

#### PARCEL IDENTIFICATION NUMBER

**R507507/3909001bc0300000**

*Exhibit A - Full legal description is located on Page 4.*

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

1. As of **04/01/2009**, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. **\$105,487.12** consisting of the unpaid amount(s) loaned to Borrower by Lender plus any interest and other amounts capitalized.
2. Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Unpaid Principal Balance for the **first year** at the yearly rate of **3.75%** from **04/01/2009**, and Borrower promises to pay monthly payments of principal and interest in the amount of **\$424.61** beginning on the **1<sup>st</sup>** day of **May 2009**. During the **second year**, at the yearly rate of **4.75%** from **04/01/2010**, and Borrower promises to pay monthly payments of principal and interest in the amount of **\$490.12** beginning on the **1<sup>st</sup>** day of **May 2010**. During the **third year**, at the yearly rate of **5.75%** from **04/01/2011**, and Borrower promises to pay monthly payments of principal and interest in the amount of **\$558.52** beginning on the **1<sup>st</sup>** day of **May 2011**. During the **fourth year**, and continuing thereafter until the

Maturity Date (as hereinafter defined), interest will be charged at the yearly rate of **6.75%** from **04/01/2012**, and Borrower shall pay monthly payments of principal and interest in the amount of **\$629.29** beginning on the 1<sup>st</sup> day of **May, 2012**, and shall continue monthly payments thereafter on the same day of each succeeding month until principal and interest are paid in full. If on **04/01/2049**, (the "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 will make such payments at **4000 West Brown Deer Road Brown Deer WI 53209** or at such other place as Lender may require.

3. 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.

4. Borrower also will comply with 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 canceled, null and void, as of the date specified in paragraph No. 1 above:

(a) 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, including, where applicable, the Timely Payment Rewards rate reduction, as described in paragraph 1 of the Timely Payment Rewards Addendum to Note and paragraph A.1. of the Timely Payment Rewards Rider. By executing this Agreement, Borrower waives any Timely Payment Rewards rate reduction to which Borrower may have otherwise been entitled; and

(b) all terms and provisions of any adjustable rate rider or Timely Payment Rewards Rider, where applicable, 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.

5. Borrower understands and agrees that:

(a) 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.

(b) 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.

- (c) Borrower has no right of set-off or counterclaim, or any defense to the obligations of the Note or Security Instrument.
- (d) 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.
- (e) 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.
- (f) Borrower agrees to make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement which, if approved and accepted by Lender, shall bind and inure to the heirs, executors, administrators, and assigns of the Borrower.

Guaranty Bank (Seal)

Richard B Hook  
- Borrower

By: William J. Verbos  
William J. Verbos, Vice President

Leticia M Hook  
- Borrower

[Space Below This Line For Acknowledgments]

State of OREGON

County of KLAMATH

On 3-18-2009 before me, Deborah Swingle Banker / Notary  
Name and Title of Officer (e.g., Jane Doe, Notary Public)  
personally appeared Richard Hook, Leticia Hook  
Name(s) of Signer(s)

I personally known to me - OR - I proved to me on the basis of satisfactory evidence to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Deborah Jean Swingle  
Signature of Notary Public  
Commission expires: 7-18-2011

STATE OF WISCONSIN  
COUNTY OF MILWAUKEE

Personally came before me, this 2<sup>nd</sup> day of APRIL, A.D., 2009,  
William J. Verbos of the above named Corporation, to me known to be the persons who executed the foregoing instrument, and to me known to be such Vice President of said Corporation, and acknowledgment that they executed the foregoing instrument as such officers as the deed of said Corporation, by its authority.

Brian Redlich  
Signature of Notary Public  
Commission expires: 10/11/2011

EXHIBIT A

THE FOLLOWING DESCRIBED REAL PROPERTY FREE OF LIENS AND ENCUMBRANCES,  
EXCEPT AS SPECIFICALLY SET FORTH HEREIN:

A PORTION OF THE SW 1/4 NW 1/4 OF SECTION 1, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF  
THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, MORE PARTICULARLY  
DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 660 FEET EAST AND 396 FEET NORTH OF AN IRON PIN DRIVEN  
INTO THE GROUND AT THE SOUTHWEST CORNER OF THE NW 1/4 OF SECTION 1, TOWNSHIP  
39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, ON THE PROPERTY OF OTIS V.  
SAYLOR WHICH IRON PIN IS 30 FEET EAST OF THE CENTER OF A ROAD INTERSECTING THE  
KLAMATH FALLS-LAKEVIEW HIGHWAY FROM THE NORTH AND 30 FEET NORTH OF THE  
CENTER OF SAID HIGHWAY; THENCE WEST 330 FEET; THENCE NORTH 66 FEET; THENCE  
EAST 330 FEET; THENCE SOUTH 66 FEET TO THE PLACE OF BEGINNING.

SUBJECT TO RESTRICTIONS, RESERVATIONS, EASEMENTS, COVENANTS, OIL, GAS OR  
MINERAL RIGHTS OF RECORD, IF ANY.