

SunTrust Mortgage, Inc.
1001 Semmes Avenue
Richmond, VA 23224
Tel 804.319.8601
Fax 804.675.9756

2009-007946
Klamath County, Oregon



06/09/2009 09:17:07 AM

Fee: \$46.00

Loan #0144854221

SECOND
LOAN MODIFICATION AGREEMENT

THIS SECOND LOAN MODIFICATION AGREEMENT (the "**Agreement**") is made and entered into as of the 21ST day of OCTOBER, 2008, by and between HARVEY HOYO AND MARIA MACIAS-HOYO (the "**Borrower(s)**"), with a mailing address of 9710 CINNAMON TEAL DRIVE, KLAMATH FALLS, OR 97601, and SunTrust Mortgage, Inc., 1001 Semmes Avenue, Richmond, VA 23224 (the "**Lender**").

A. Lender is the owner, holder and/or beneficiary of the following instruments (collectively, together with this Agreement, the "**Loan Documents**"):

(i) An ADJUSTABLE RATE NOTE, dated MAY 11, 2006 (as amended hereby, the "**Note**"), between Borrower and Lender, which Note is in the original principal balance of \$614,000.00; and

(ii) A DEED OF TRUST and an ADJUSTABLE RATE Rider, both dated MAY 11, 2006, between Borrower and Lender (collectively, the "**Mortgage, Deed of Trust or Security Deed**"), and recorded on 05/30/2006, in KLAMATH County, OREGON Land Records, in Book N/A at Page 1-34, Instrument # M06-10874 et seq., which secures, among other things, Borrowers' obligation under the Note, and which Mortgage encumbers the following property (the "**Property**"):

9710 CINNAMON TEAL DRIVE, KLAMATH FALLS, OR 97601 ("*property address*")

See attached Exhibit A of Legal Description

(iii) A Loan Modification Agreement dated September 25, 2007 between Borrower and Lender and recorded on 10/04/2007 in KLAMATH County, OREGON Land Records, in Book N/A at Page 1-10, Instrument# 2007-017341, which is hereby deleted, as of the date of this Agreement, in its entirety and replaced with this Second Loan Modification Agreement.

B. The Loan Documents evidence and secure a mortgage loan in favor of Borrower in the original principal amount of \$614,000.00 (the "**Original Loan**"), and Borrower and Lender, upon completion of construction, have agreed to modification of the terms of the Original Loan, as provided herein.

C. As of the Effective Date of this Agreement, the outstanding principal balance of the Original Loan is \$707,000.00 (the "**Loan**").

In consideration of the circumstances described in the foregoing paragraphs, and for other good and valuable consideration, Lender and Borrower agree as follows:

1. Effective Date. The Effective Date of this Agreement is as of SEPTEMBER 25, 2007.
2. Lender Owns Documents. Lender is the owner and holder of the Loan and the Loan Documents and all sums due and to become due under the terms and provisions of the Loan Documents.
3. Modified Terms.
 - (a) Interest Rate. As of the Effective Date and continuing until JUNE 1, 2011 (the "**Next Change Date**"), the interest rate for the Loan shall be fixed at 6.75% per annum.
 - (b) The Index. Commencing on the Next Change Date and each subsequent 12 month thereafter (each such date being a "**Change Date**"), the interest rate shall be based on the Index. The Index is the average of interbank offered rates for one-year U.S. dollar-dominated deposits in the London market (**LIBOR**) as published in *The Wall Street Journal*.

(c) Calculation of Interest Rate Changes. On the Next Change Date and each Change Date thereafter, the interest rate due hereunder shall be equal to 2.25% in excess of the Index, as determined by Lender as of forty-five (45) days prior to the Change Date, which resulting interest rate is then rounded to the nearest one-eighth of one percent (0.125%).

(d) Payments. Borrower shall make monthly payments of interest only for the next 104 months hereafter in the amount \$3,976.88, beginning on NOVEMBER 1, 2007, and continuing monthly on the first day of every month thereafter until affected by paragraph 3(a, b and c) above. Effective on JULY 1, 2016, and continuing monthly on the first day of every month thereafter, Borrower shall then commence monthly payments of principal and interest in an amount, as determined by Lender, necessary to pay all outstanding principal and interest on the Maturity Date based on the interest rate then in effect.. Borrower shall make all payments at the Lender's address first written above or at such other place as Lender may require.

(e) Limits on Interest Rate Changes. The interest rate I am required to pay at the first Change Date will not be greater than 11.75% or less than 2.25%. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than two percentage points from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 11.75%.

(f) Term. The term of the Loan shall be unchanged, with all outstanding principal and interest due on or before JUNE 1, 2036 (the "**Maturity Date**").

4. Warranties. Borrower represents and warrants to Lender that: (a) record and legal title to the Property is vested in Borrower, (b) there are no encumbrances or liens on the Property subsequent to the Mortgage (i.e., no other mortgages, no mechanics' liens, etc.), and (c) there are no delinquent taxes or assessments that have become a lien (i.e., a legal claim) on the Property. A breach of any of the foregoing shall constitute a default under the Loan Documents.

5. No Waiver of Lender's Rights. This amendment shall not prejudice any other existing or future rights, remedies, benefits, or powers belonging or occurring to Lender under the Loan Documents, as amended by this Agreement.

6. Compliance. Borrower acknowledges that Lender has fully complied with all of the terms and provisions of the Loan Documents to which Lender is obligated and that Borrower has no defenses under the Loan Documents.

7. Confirmation of Facts. Borrower acknowledges, represents and warrants to Lender that:

(a) All Loan Documents, as modified and amended hereby, are valid, binding and enforceable in accordance with their terms;

(b) Lender has no obligation to grant or make any additional modifications, extensions, or amendments to the Loan Documents with exception of any existing conversion option for which Borrower can qualify to exercise; and

(c) All matters set forth in the Loan Documents are true and correct.

8. Severability. If any provision of this Agreement is limited, restricted, prohibited, or unenforceable under applicable law, such provision shall be construed and enforced so as not to conflict with applicable law. The validity, legality, and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

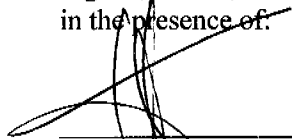
9. No Other Changes. Nothing in this Agreement shall modify or amend the terms, conditions, and covenants in the Loan Documents except as expressly provided for in this Agreement and all terms, conditions, and covenants in the Loan Documents shall remain in full force and effect except as expressly modified in this Agreement.

10. Acceleration. 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 Loan Documents. If Lender exercises this option, Lender shall give Borrower written notice of acceleration. The notice shall provide a period of not less than 30 days from the date that the notice is given in which Borrower must pay all sums secured by the Loan Documents. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the

Loan Documents without further notice or demand on Borrower.

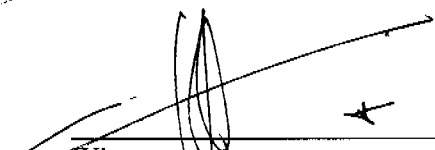
11. Subsequent Parties also Bound. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, and permitted assigns. The term "permitted assigns" means any person or entity to whom Lender sells the Loan. Borrower is not allowed to assign the Loan Documents to anybody unless Lender consents in writing, which Lender has no obligation to do.

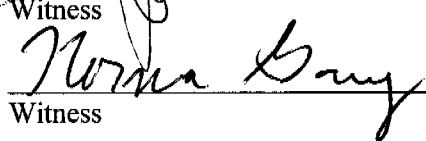
Signed, Sealed, and delivered
in the presence of:



Witness

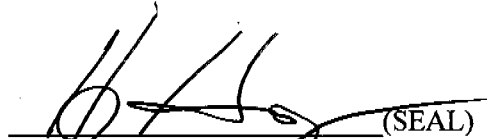
Witness




Witness


Witness

BORROWER:




HARVEY HOYO (SEAL)


MARIA MACIAS-HOYO (SEAL)

LENDER:

SunTrust Mortgage, Inc.

By: 

MARGARET SLAUTER
VICE PRESIDENT

State of _____ §
City/County of _____ §

SEE ATTACHED

On this the ____ day of _____, before me _____, personally appeared HARVEY HOYO AND MARIA MACIAS-HOYO, who is/are personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the above instrument and acknowledged to me that he/she/they executed the same as his/her/their voluntary act and deed.

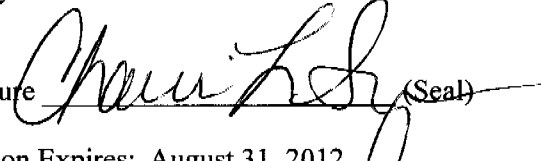
WITNESS my hand and official seal.

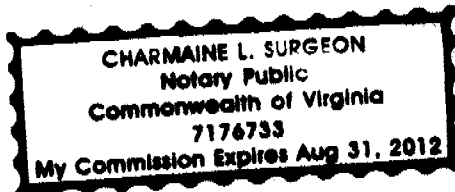
Notary Signature _____ (Seal)
My Commission Expires: _____

Commonwealth of Virginia §
City of Richmond §

On this the 3rd day of Nov. 2008, before me, Charmaine L. Surgeon, personally appeared Margaret Slaughter, Vice President, who is personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the above instrument and acknowledged to me that he/she executed the same as his/her voluntary act and deed and as the voluntary act and deed of the Lender in his/her authorized capacity on behalf of the Lender.

WITNESS my hand and official seal.

Notary Signature  (Seal)
ID# 7176733
My Commission Expires: August 31, 2012



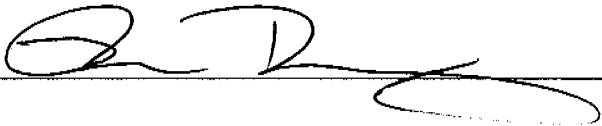
California All-Purpose Acknowledgment

State of California
County of Orange

On 10/23/08 before me, Aimee Duong _____, notary public, personally appeared ***Maria Macias Hoyo, Harvey Hoyo***, who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



Optional

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Loan Modification Agreement
Document Date: October 23, 2008 # of Pages: 1
Signer(s) Other Than Named Above: _____

LEGAL DESCRIPTION

LOT 835, RUNNING Y RESORT, PHASE 11, ACCORDING TO THE
OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY
CLERK OF KLAMATH COUNTY OREGON.