

WTC 13516-91873
After recording return to:
South Valley Bank & Trust
P.O. Box 5210 / 803 Main St.
Attn: RE Dept
Klamath Falls OR 97601

2010-000212

Klamath County, Oregon



01/06/2010 03:02:59 PM

Fee: \$42.00

LOAN MODIFICATION AGREEMENT
(Providing for Fixed Interest Rate)

This Loan Modification Agreement ("Agreement"), made this 30th day of December, 2009 between Carl T Winters ("Borrower") and Oregon Housing and Community Services Department, State of Oregon ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), and Timely Payments Rewards Rider, if any, dated December 30, 2002 and recorded on January 3, 2003 in Volume M03 page(s) 00494 No., of the County Records of Klamath, Oregon (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 2244 Darrow Street, Klamath Falls OR 97601 the real property described being set forth as follows:

Lot 658 Block 116 of Mills Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

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

1. As of January 1, 2010 the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$45,483.25 consisting of the amount(s) loaned to Borrower by Lender plus and any interest and other amounts capitalized.

AMERITITLE has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Unpaid Principal Balance at the yearly rate of 5.375% from January 1, 2010. Borrower promises to make monthly payments of principal and interest of U.S. \$270.66 beginning on the 1st day of February, 2010, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. The yearly rate of 5.375%, will remain in effect until principal and interest is paid in full. If on February 1, 2036 (the "Maturity Date"), Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.

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 this 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,

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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 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.

_____(Seal)
-Lender

Carl T Winters (Seal)
-Borrower

By: Gay Torgensen
By (name and title) Gay Torgensen
Loan Servicing Specialist
Oregon Housing & Community Services

_____(Seal)
-Borrower

[Space below This Line for Acknowledgments]

State of Oregon
County of Linn

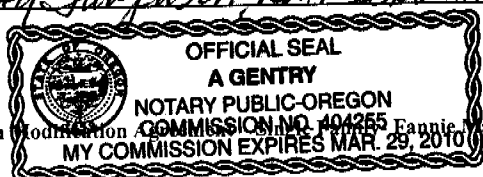


This instrument was acknowledged before me on December 30, 2009 (date) by
Carl T Winters (borrowers)
(person[s] acknowledging).

Toni L Rinehart
Notary Public for Oregon

State of Oregon
County of

This instrument was acknowledged before me on January 4, 2010 (date) by
Gay Torgensen, Loan Servicing Specialist (name and title)
(person[s] acknowledging).



Andrea Gentry
Notary Public for Oregon