

MTL 1396-11078

**WHEN RECORDED RETURN TO:**

Pacific Crest Federal Credit Union

P.O. Box 1179

Klamath Falls, Oregon 97601

This Space Provided for Recorder's Use

**MODIFICATION AGREEMENT**

**Grantor(s):** Richard R Kerns and Deborah S Kerns

**Grantee:** Pacific Crest Federal Credit Union

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.

**Legal Description:** See Attached Exhibit A

**Assessor's Property Tax Parcel or Account No.:** R120050

On or about April 24, 2008, Grantor(s) executed and delivered to Grantee (also referred to as "Lender") a Deed of Trust encumbering the real property described above.

This Deed of Trust was recorded on April 29, 2008, at 2008-006193 in the records of Klamath County, State of Oregon. The Deed of Trust secures a Promissory Note and/or Loan Agreement ("Loan Agreement") in the original principal amount of \$102,000.00. The current principal balance owing on the Loan Agreement is \$95,260.66.

**MODIFICATION.** Grantor(s) and Lender hereby modify the Loan Agreement and Deed of Trust as follows:

☐ **Principal Balance Increase.** The principal amount is increased to \$\_\_\_\_\_.

☒ **Interest Rate.** The interest rate is changed to:

☒ a fixed interest rate of 5.125%.

☐ a variable interest rate of \_\_\_\_\_%. The rate may change based on changes in the following index: \_\_\_\_\_.

The interest rate on the loan is determined by adding a margin of \_\_\_\_\_ points to the index. The rate may change \_\_\_\_\_ [describe frequency and timing of adjustments], based on the index in effect as of \_\_\_\_\_. The rate will not be less than \_\_\_\_\_% nor more than \_\_\_\_\_%.

☒ **Payment Schedule.** The new payment schedule is \$406.84 interest only and \$102.00 escrow for a total mortgage payment of \$508.84. This is a temporary modification for 24 months beginning 4/1/2013 and ends with 3/1/2015 payment. Escrow amount may be modified based upon Klamath Falls yearly property tax amount. The escrow account may be adjusted bases on higher/lower property tax to reflect this change.

☐ **Extension.** The maturity date is changed to \_\_\_\_\_.

☐ **Assumption.** The following person(s) or entity(s), referred to below as the "Assuming Party," has assumed and is now liable for the indebtedness and obligations of Trustor under the Deed of Trust.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

47 Amt

[ x ] Other. If at any time before 03/01/2015, Grantor fails to make timely payments under the Loan Agreement as modified in this Modification, then Lender revokes this Modification. If this Modification is revoked, the original terms of the Loan Agreement shall be reinstated, effective on the date that the Modification is revoked. Any amounts that were past due at the time of the Modification and that were not paid by payments received after the Modification will be immediately due and payable. Payments under the original terms of the Loan Agreement will begin with the first payment that is due after the Modification is revoked.

[ x ] Fee. Borrower agrees to pay Credit Union a fee of \$ 52.00 recording fee in exchange for this modification. Borrower hereby authorizes Credit Union to deduct the fee from Borrower(s) share account with Credit Union, unless Borrower pays the fee separately to Credit Union upon signing this Modification Agreement.

**CONTINUING VALIDITY.** Except as modified above, the terms of the original Deed of Trust and Loan Agreement shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust and the Loan Agreement as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the Loan Agreement. It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers, and endorser to the Loan Agreement, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification but also to all such subsequent actions.

DATED this 14 of March, 2013

**EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION AGREEMENT AND AGREES TO ITS TERMS.**

**GRANTOR(S):**

**GRANTEE: PACIFIC CREST FEDERAL  
CREDIT UNION**

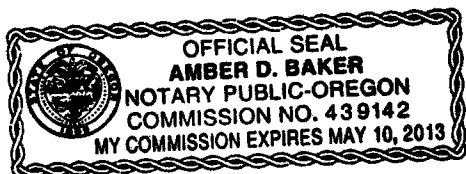
Richard R. Kerns

By: Melody Ag  
Title: VP Branch Operations

Deborah S Kerns

STATE OF Oregon )  
County of Klamath ) ss.

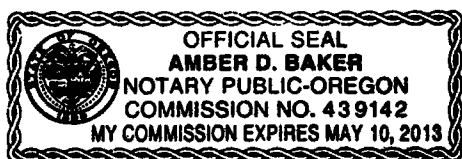
I certify that I know or have satisfactory evidence that Richard Kerns & Deborah Kerns is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument and acknowledged it to be (his/her) free and voluntary act for the uses and purposes mentioned in the instrument.



Dated: 3-14-2013  
Amber D. Baker  
Notary Public for Oregon  
My Commission Expires: 5-10-2013

STATE OF Oregon )  
County of Klamath ) ss.

I certify that I know or have satisfactory evidence that Melody Aguiar is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the VP Branch Operations of Pacific Crest Federal Credit Union to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.



Amber D. Baker  
Notary Public for Oregon  
My Commission Expires: 5-10-2013

**Exhibit A**

**PARCEL 1:**

LOT 10 OF GRAYBEL ADDITION TO THE TOWN OF MERRILL, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

**PARCEL 2:**

BEGINNING AT THE NORTHWEST CORNER OF LOT 10, GRAYBEL ADDITION TO THE TOWN OF MERRILL, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON; THENCE NORTH 30 FEET; THENCE EAST 136.58 FEET; THENCE SOUTH 30 FEET TO THE NORTHEAST CORNER OF SAID LOT 10; THENCE WEST 136.58 FEET TO THE POINT OF BEGINNING.