

2014-006218

Klamath County, Oregon



00154571201400062180050057

06/12/2014 09:54:50 AM

Fee: \$62.00

When recorded mail to: #:8636758

First American Title

Loss Mitigation Title Services 1315.2

P.O. Box 27670

Santa Ana, CA 92799

RE: HENDERSHOTT - PROPERTY REP

FIGATION

Loan No. 311942

FHA #: 431-4533264

## FHA HOME AFFORDABLE MORTGAGE PROGRAM

### LOAN MODIFICATION AGREEMENT

THIS LOAN MODIFICATION AGREEMENT (the "Agreement") is dated as of February 12, 2014, 2014, by and between JEFFREY HENDERSHOTT (individually, or if more than one, the "Borrower"), and Oregon Housing and Community Services Department, State of Oregon ("Lender").

#### Recitals

A. Lender previously made a loan (the "Loan") to Borrower evidenced by that certain Promissory Note dated as of 09/15/2008 in the original principal amount of \$154,377.00 (including any riders or modifications thereto, the "Note").

B. The Note is secured by a Deed of Trust, executed by Borrower as grantor, for the benefit of Lender as beneficiary, recorded on 09/18/2008 under Recording No.2008-013064, in the Official Records of KLAMATH County, Oregon (including any riders or modifications thereto, the "Security Instrument"). The MERS is acting solely as a nominee for Lender and Lender's successor and assigns and is the beneficiary under the Security Instrument. Property described in the Security Instrument is referred to herein as the "Property", described as:

LOT 21 OF TRACT 1304 OF PLEASANT VISTA, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY OREGON.

C. Borrower has defaulted on the Note and Security Instrument. The following amounts are due and owing from Borrower to Lender as of 08/01/2013:

Outstanding Principal

\$144,151.14

Deferred Principal

<\$00.00>

**MODIFIED PRINCIPAL:**

\$142,695.75

### **Agreement**

In consideration of the mutual promises and covenants set forth in this Agreement, Borrower and Lender agree as follows:

1. **Acknowledgment of Default and Borrower's Obligations.** The recitals stated above are true and correct. The amounts listed above and any additional amounts that subsequently accrue or are incurred pursuant to the Note and Security Instrument (as each may be modified by this Agreement) are due and owing and not subject to any setoff, deduction, counterclaim, or defense of any kind. Except as expressly modified in this Agreement, the Note and the Security Instrument remain in full force and effect and are valid and binding obligations.
2. **Lender's Forbearance.** In exchange for (a) Borrower's non-refundable payment of a modification fee totaling \$00.00 to be received by Lender prior to effectiveness of this Agreement; (b) Borrower's payments described below; (c) Borrower's execution of this Agreement, and (d) Borrower's complete performance of each obligation under this Agreement, the Note, and the Security Instrument, Lender agrees not to accelerate the Loan or take further action to foreclose on the Property. Borrower understands and agrees, however, that Lender's forbearance is subject to the terms and conditions set forth in this Agreement and that Lender has not agreed to waive or defer any future non-compliance with this Agreement, the Note, or the Security Instrument. Borrower agrees that a default under this Agreement constitutes a default under the Note and the Security Instrument, and that upon such default, or any other default under the Note or Security Instrument, Lender may exercise any or all of its rights and remedies pursuant to the Note and the Security Instrument, including, without limitation, its rights to accelerate the Loan and foreclose the security interests granted to Lender in the Security Instrument.
3. **Payment by Borrower to Reduce Loan Balance.** In addition to the other payments required by the terms of this Agreement, and as a condition to effectiveness of this Agreement, Borrower shall pay Lender a one-time payment of \$0.00, which payment shall be applied to the Loan in accordance with the Note and Security Instrument.
4. **Delinquencies Capitalized.** Commencing on 08/01/2013 the amounts identified in Recital C as Delinquent Interest, Delinquent Escrow, and Delinquent Fees (collectively, the "Delinquent Amount") shall be added to the outstanding principal balance of the Loan and shall begin accruing interest at the applicable interest rate in accordance with the Note, Security Instrument and this Agreement.
5. **Interest Rate.** Subject to the default provisions in the Note, Security Instrument and this Agreement, commencing on the effective date of this Agreement interest shall be charged on the outstanding principal balance of the Loan, including the Delinquent Amount, at the rate of 6.00% per year until the outstanding principal amount of the Loan has been paid in full.
6. **Payments; Maturity Date.** Commencing on 03/01/2014 and continuing on the 1st day of each month thereafter, Borrower shall pay Lender \$855.53, which amount shall constitute the monthly principal and interest then due. Unless accelerated pursuant to the Note, Security Instrument, or this Agreement, the "Maturity Date" of the Note is hereby extended to 02/01/2044. Borrower agrees that the new payment amount stated in this Section shall not be subject to any payment change limitation stated in the Note.

7. Post-Modification Escrow Payments. For the remaining Loan term, Borrower shall pay into an escrow account maintained by Lender such sums as are necessary to satisfy payment of taxes and/or insurance premiums related to the Property. Borrower shall make escrow payments concurrently with each regular monthly payment of principal and interest as stated in this Agreement. The initial escrow payment amount shall be \$252.15, which amount is subject to change.

8. Release of Claims. Borrower, on behalf of Borrower and Borrower's legal representatives, successors and assigns, hereby releases, waives, acquits and discharges Lender and Lender's legal representatives, parent and affiliated corporations, successors-in-interest, agents, attorneys, assigns, employees, shareholders, officers and directors (collectively, "Releasees"), from and of any and all liabilities, claims, demands, defenses, actions, causes of action and rights of whatsoever kind and nature (collectively, "Claims"), known or unknown, foreseen or unforeseen, which Borrower may now or hereafter have against any Releasee, existing or occurring prior to or as of the execution and delivery of this Agreement, and which in any way, directly or indirectly, relate to, result from or arise out of the Loan or any transactions related thereto, including without limitation, any Claims relating to, resulting from or arising out of the negotiation, making, funding, administration or collection of the Loan and any purported oral agreements or understandings by and between Borrower and any Releasee concerning the Note, the Security Instrument and any amendments, modifications or forbearances of the Note or the Security Instrument.

**Borrower understands and agrees that release set forth above is a full and final release that extinguishes all claims whether known, unknown, foreseen or unforeseen.**

9. Interpretation and Modification. This Agreement supersedes and replaces any prior negotiations, agreements or understandings, whether written, oral, or implied, between Borrower and Lender concerning the subject matter of this Agreement. Except as specifically modified by this Agreement, the Note and the Security Instrument remain unchanged and in full force and effect, except to the extent discharged by a bankruptcy proceeding, in which case execution by a discharged debtor is solely as an owner of the Property that secures the Loan and does not establish any personal liability for such debtor. This Agreement modifies the Note and the Security Instrument only as expressly provided herein, and shall not be deemed, interpreted, or construed as a novation, replacement, or substitution of the Note or the Security Instrument, which remain in full force and effect. To the extent of any inconsistency between this Agreement and the Note and the Security Instrument, the provisions of this Agreement shall prevail. Any capitalized term not defined in this Agreement shall have the meaning ascribed in the Note or, if not defined in the Note, in the Security Instrument. This Agreement may only be modified or amended in writing by an agreement executed by Lender.

10. Termination. If Borrower does not make any payment required by this Agreement in full and within fifteen (15) days of the date on which it is due, or Borrower commits any additional default under the Note or the Security Instrument, Lender may, in its sole discretion, terminate this Agreement and declare all amounts owing to Lender to be immediately due and payable in accordance with the Note, Security Instrument, and this Agreement.

11. Severability. If any terms or provisions of this Agreement are interpreted or construed by a court of competent jurisdiction to be void, invalid or unenforceable, such decision shall affect only those provisions so construed or interpreted and shall not affect the remaining provisions of this Agreement.

12. Borrower's Understanding. Borrower has read this Agreement in its entirety, has been advised to seek legal counsel regarding the subject matter of this Agreement and has had an opportunity to seek legal counsel. Borrower has voluntarily entered into this Agreement and Lender has not attempted to coerce Borrower in any way. Borrower agrees that no ambiguity in this Agreement shall be construed against Lender.

13. Borrower's Cooperation. If so requested by Lender, Borrower shall execute such documents as Lender may require in its sole discretion to ensure the continued priority of the Security Instrument. Lender may also require subordination agreements from any or all persons or entities with an


interest in the Property. If Lender requires any documents or agreements pursuant to this Section 13, receipt by Lender of such documents or agreements shall be a condition to effectiveness of this Agreement.

**OREGON TRANSACTIONS**


UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY US CONCERNING LOANS AND OTHER CREDIT EXTENSIONS THAT ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY US TO BE ENFORCEABLE.

Executed as of the date first written above.

**BORROWER(S):**

  
JEFFREY HENDERSHOTT

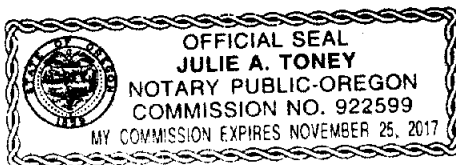
**OREGON HOUSING AND COMMUNITY  
SERVICES DEPARTMENT (Lender)**

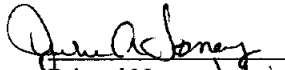
By   
Name: Gay S. Jurgensen  
Title: Loan Servicing Specialist

State of Oregon  
County of Klamath SS.

On this 12 day of February, 2014 before me the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared JEFFREY HENDERSHOTT to me known to be the individual(s) described in and who executed the foregoing instrument, and acknowledged to me that he/she/they signed and sealed the said instrument as his/her/their free and voluntary act and deed, for the uses and purposes therein mentioned.

WITNESS my hand and official seal affixed the day and year first above written.



  
Printed Name Julie A. Toney  
Notary Public in and for the State of Oregon,  
residing in 3737 Shasta Way Klamath Falls OR 97603  
My commission expires: November 25, 2017

State of Oregon  
County of Marion SS.

On this 27<sup>th</sup> day of February, 2014, the undersigned, a Notary Public in and for the State of Oregon, duly commissioned and sworn, personally appeared Gay Torgensen, to me known to be the Loan Servicing Specialist of Oregon Housing and Community Services Department the entities that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said entities, for the uses and purposes therein mentioned, and on oath stated that she is authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.



Craig E. Tillotson  
Printed Name: Craig E. Tillotson  
Notary Public in and for the State of Oregon,  
residing in Keizer, OR  
My commission expires: 4-11-17