

This Space Provided for Recorder's Use

WHEN RECORDED RETURN TO:
PACE Credit Union
3010 S.E. Belmont
Portland, OR 9721

MODIFICATION AGREEMENT

Grantor(s): Gerard M Pahissa and Nancy D Pahissa, Husband and Wife

Grantee: PACE Credit Union

Legal Description: A tract of land in the Northwest Quarter of Section 21, Township 3 North, Range 8 East of the Willamette Meridian, in the County of Skamania, State of Washington, described as follows: Lot 2, SPENCER GARWOOD SHORTPLAT, recorded in Book 3 of SHORT PLATS, page 94, Skamania County, Washington.

Assessor's Property Tax Parcel or Account No.: 03-08-21-2-0-0707-00 *AD*

CURRENT OBLIGATION. On or about 5/26/1998, Grantor(s) Gerard M Pahissa and Nancy D Pahissa executed and delivered to Pace Credit Union, as Beneficiary, a Deed of Trust encumbering the real property described above. The Deed of Trust was recorded on 6/1/1998, in Book number 177, Page 764 in the records of Skamania County, Washington. The Deed of Trust secures a promissory note ("Obligation") in the amount of \$178,500.00.

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

Principal Balance Increase. The principal amount is increased to \$176,000.00.

Interest Rate. The interest rate is changed to 6.20%.

Payment Schedule. The new payment schedule is \$1960.54 per month for the remaining term of loan.

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: _____

Fee. Borrower agrees to pay Credit Union a fee of \$1,835.00 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 previously 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 endorsers 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 consent 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 actions.

DATED this 15th of July, 2005.

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

GRANTORS:


Gerard M Pahissa

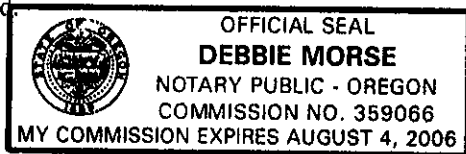

Nancy D Pahissa


STATE OF Oregon

)ss.

County of Multnomah

On this 15th day of July, 2005, before me, a Notary Public in and for said state, personally appeared Gerard M Pahissa and Nancy D Pahissa, known to me to be the person who executed the Modification Agreement and acknowledged to me that they executed the same for the purposed therein stated.




Notary Public for _____
My Commission Expires: 8-4-06