

After Recording Return To:
FIRST HORIZON HOME LOANS
4949 SW MEADOWS ROAD STE 200
LAKE OSWEGO, OR 97035

Loan Number: 0060241601

(Space Above this Line for Recording Data)

29614

LOAN MODIFICATION AGREEMENT
(Providing for Fixed Interest Rate)

This Loan Modification Agreement ("Agreement"), made this 25th day of MARCH, 2008, between JULIANA DESMITH & JACQUELINE J PARKER, As Joint Tenants WITH RIGHTS OF SURVIVORSHIP, BOTH SINGLE PERSONS. ("Borrower") and FIRST HORIZON HOME LOANS, A DIVISION OF FIRST TENNESSEE BANK N.A. SUCCESSOR BY MERGER TO FIRST HORIZON HOME LOAN CORPORATION ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed ("The Security Instrument"), dated 5/17/2007 and recorded in 2007166300 of the Land / Official Records of Skamania County, and (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 11 JASPER LANE, CARSON, Washington 98610

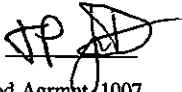
(Property Address)

The real property described being set forth as follows:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER IN SECTION 6, TOWNSHIP 3 NORTH, RANGE 8 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF SKAMANIA, STATE OF WASHINGTON DESCRIBED AS FOLLOWS: LOT 3 OF THE BRYAN SHORT PLAT RECORDED IN AUDITOR FILE NO 2005157409 SKAMANIA COUNTY RECORDS.

07-08-06-0-0-1105-00

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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 3/28/2008, the amount payable under the Note and the Security Instrument (the "Unpaid Principal Balance") is U.S. \$ 248,000.00. Borrower hereby renews and extends such indebtedness and promises to pay jointly and severally to the order of the Lender the sum of U.S. \$ 248,000.00 (the "Principal Balance"), consisting of the amount(s) loaned to borrower by Lender and any interest capitalized to date.
2. Borrower promises to pay the Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Principal Balance at the yearly rate of 6.250 %, from 3/28/2008. Borrower promises to make monthly payments of principal and interest of U.S. \$ 1,526.98, beginning on the first day of MAY, 2008, and continuing thereafter on the same day of each succeeding month until principal and interest are paid in full. If on 4/01/2038 (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. Borrower will make such payments at PO BOX 809, MEMPHIS, TN 38101 or at such other place as Lender may require.
3. The lien and security interest secured by this Agreement is a "Renewal and Extension" effective as of 3/25/2008. It is the intention of the parties that all liens and security interests described in the Security Instrument are hereby renewed and extended until the indebtedness evidenced by the Note, as renewed, modified, and extended hereby, has been fully paid. Lender and Borrower acknowledge and agree that such extension, renewal, amendment, modification or rearrangement shall in no manner affect or impair the Note or the liens and security interests securing same, the purpose of this Agreement being simply to extend, modify, amend or rearrange the time and the manner of payment of the Note and the indebtedness evidenced thereby, and to carry forward all liens and security interests securing the Note (including if applicable any and all vendor's liens securing the Note), which are expressly acknowledged by the Borrower to be valid and subsisting, and in full force and effect so as to fully secure the payment of the Note. The Borrower hereby expressly waives the benefit of any and all statutes of limitation which might otherwise inure to Borrower's benefit, or be in any way applicable to Borrower's obligations under the terms of any and all instruments described herein.
4. 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 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 the 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.

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5. 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; and
 - (b) all terms and provisions of any adjustable rate rider, or other instrument or documents 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.
6. 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. Except as otherwise specifically provided in this Agreement, the Note and Security Instrument will remain unchanged, and Borrower and Lender will be bound by, and comply with, all of the terms and provisions thereof, as amended by this Agreement.
7. No Oral Agreements: THE WRITTEN LOAN AGREEMENTS REPRESENT THE FINAL AGREEMENTS BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

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ACCEPTED AND AGREED TO BY THE
OWNER AND HOLDER OF SAID NOTE
FIRST HORIZON HOME LOANS,

A DIVISION OF FIRST TENNESSEE BANK N.A. Borrower JULIANA DESMITH

By: Cindy J. Tavegia

Its: A.P.P.

Borrower

Borrower

JACQUELINE J PARKER

Borrower

State of WASHINGTON :

County of CLARK :

Before me, a Notary Public on this day personally appeared

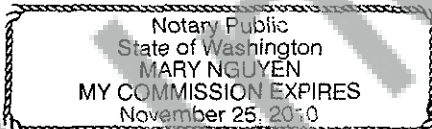
JULIANA DESMITH

JACQUELINE J PARKER

known to me (or proved to me) on the oath of Juliana Desmith & Jacqueline J Parker, or
through State of Washington license (description of identity card or other document) to be
the person whose name is subscribed to the foregoing instrument and acknowledgement to me that he/she/they
executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of this office this 28th day of March, 20 08

(Seal)



Notary Public

Corporate Acknowledgement

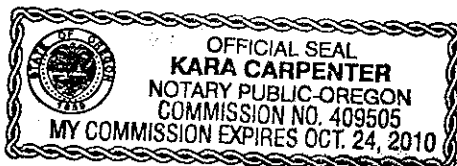
State of Oregon

County of Clackamas

Before me, the undersigned authority, on this day personally appeared Cindy Tavegia,
a AVP of FIRST HORIZON HOME LOANS,
A DIVISION OF FIRST TENNESSEE BANK N.A., (personally known to
me or proved to me on the basis of satisfactory evidence) subscribed to the foregoing instrument, and
acknowledged to me that he/she executed the same for the purposes and consideration therein expressed as the
act and deed of said corporation and in the capacity therein stated.

Given under my hand and seal of this office this 31st day of March, 20 08

(Seal)



Notary Public

0060241601