

86099

08-17-94 09:49 RCVD

Vol. M94 Page 25452

RECORDATION REQUESTED BY:

South Valley State Bank
5215 South Sixth Street
Klamath Falls, OR 97603

WHEN RECORDED MAIL TO:

South Valley State Bank
5215 South Sixth Street
Klamath Falls, OR 97603

SEND TAX NOTICES TO:

Owen N. Matthews and Debra G. Matthews
29595 Demerriitt Road
Malin, OR 97632

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE IS DATED JULY 26, 1994, BETWEEN Owen N. Matthews and Debra G. Matthews, as Tenants by the Entirety, (referred to below as "Grantor"), whose address is 29595 Demerriitt Road, Malin, OR 97632; and South Valley State Bank (referred to below as "Lender"), whose address is 5215 South Sixth Street, Klamath Falls, OR 97603.

MORTGAGE. Grantor and Lender have entered into a mortgage dated April 11, 1994 (the "Mortgage") recorded in Klamath County, State of Oregon as follows:

Recorded April 18, 1994 at Klamath County Recorders Office in Vol. M94 at Page 11355

REAL PROPERTY DESCRIPTION. The Mortgage covers the following described real property (the "Real Property") located in Klamath County, State of Oregon:

See attached Exhibit "A"

The Real Property or its address is commonly known as 29595 Demerriitt Road, Malin, OR 97632.

MODIFICATION. Grantor and Lender hereby modify the Mortgage as follows:

Principal increase from \$400,000.00 to \$475,000.00.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Mortgage 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 Mortgage as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Mortgage (the "Note"). It is the intention of Lender to retain as liable all parties to the Mortgage and all parties, makers and endorser to the Note, 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 Mortgage 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.

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

GRANTOR:

X Owen N. Matthews

X Debra G. Matthews

LENDER:

South Valley State Bank

By:

[Signature]
Authorized Officer

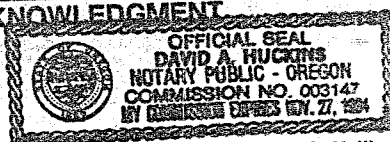
FORM 104-500000

01-28-1994

MODIFICATION OF MORTGAGE

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) SS



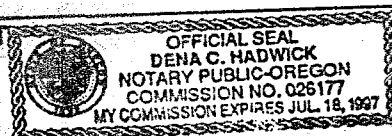
On this day before me, the undersigned Notary Public, personally appeared Owen N. Matthews and Debra G. Matthews, to me known to be the individuals described in and who executed the Modification of Mortgage, and acknowledged that they signed the Modification as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 27th day of July, 19 94.

By [Signature] Residing at Klamath Falls, OR
Notary Public In and for the State of Oregon My commission expires 11-27-94

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) SS



On this 28th day of July, 19 94, before me, the undersigned Notary Public, personally appeared Dave Huckins and known to me to be the loan officer, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Dena C. Hadwick Residing at 5215 S. 6th St., K. Falls, OR 97603
Notary Public In and for the State of Oregon My commission expires 7-18-97

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MODIFICATION OF MORTGAGE

EXHIBIT "A"

A tract of land situated in the SE1/4 SE1/4 of Section 8, Township 41 South, Range 12 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point marked by a P.K. Nail on the South line of said Section 8, said point being South 89 degrees 50' 00" West 640.52 feet from the Southeast corner of said Section 8; thence continuing South 89 degrees 50' 00" West along said Section line, 186.00 feet to a P.K. Nail; thence North 00 degrees 34' 40" East 30.00 feet to a 5/8 inch iron pin on the Northerly right of way line of DeMerritt Road; thence continuing North 00 degrees 34' 40" East 377.08 feet to a 5/8 inch iron pin; thence North 89 degrees 50' 00" East 186.00 feet to a 5/8 inch iron pin; thence South 00 degrees 34' 40" West 377.08 feet to a 5/8 inch iron pin on the Northerly right of way line of said DeMerritt Road; thence continuing South 00 degrees 34' 40" West 30.00 feet to the point of beginning.

SAVING AND EXCEPTING therefrom any portion in DeMerritt Road.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of S. Valley State Bank the 17th day
of Aug A.D., 19 94 at 9:49 o'clock A.M., and duly recorded in Vol. M94,
of Mortgages on Page 25452.

FEE \$20.00

Evelyn Biehn - County Clerk

By Dorlene Millender