92323 12-12-94A11:58 RCVD

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RECORDATION REQUESTED BY:

South Valley State Bank
801 Main Street
Klamath Falls, OR 97601

WHEN RECORDED MAIL TO:

South Valley State Bank
801 Main Street
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

South Valley State Bank
801 Main Street
Klamath Falls, OR 97601

STATE OF OREGON, ss.
County of Klamath

Filed for record at request of:

S. Valley State Bank

on this 12th day of Dec A.D., 19 94
at 11:58 o'clock A M. and duly recorded
in Vol. M94 of Mortgages Page 37559.
Evelyn Biehn County Clerk
By Pauline Mullendore Deputy.

Fee, $10.00

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE IS DATED NOVEMBER 29, 1994, BETWEEN Frank S. Jakubowski and Danny D. Jakubowski, Frank S. Jakubowski and Danni Day Jakubowski, as TENANTS BY THE ENTIRETY, (referred to below as "Grantor"), whose address is 3722 Grenada Way, Klamath Falls, OR 97603; and South Valley State Bank (referred to below as "Lender"), whose address is 801 Main Street, Klamath Falls, OR 97601.

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

Recording date; April 13th, 1994; in the office of the Klamath County Clerk; book of Mortgages, Vol #M94, page 10987

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

Lot 13 in Block 1 of Tract No. 1022, FOURTH ADDITION TO SUNSET VILLAGE, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

The Real Property or its address is commonly known as **3722 Grenada Way, Klamath Falls, OR 97603.**

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

For cross-collateralization: increase principal amount from $155,000.00 to$175,000.00..

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 endorsers 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 [signature]
Frank S. Jakubowski

X Danni D. Jakubowski
Danny D. Jakubowski

LENDER:

South Valley State Bank

By: Terrie Hinchee
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

OFFICIAL SEAL
TERRIE L. HINCHEE
NOTARY PUBLIC-OREGON
COMMISSION NO. 003699
MY COMMISSION EXPIRES FEB. 12, 1995

STATE OF Oregon)
) SS
COUNTY OF Klamath)

On this day before me, the undersigned Notary Public, personally appeared Frank S. Jakubowski and Danny D. Jakubowski, 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 30 day of November, 19 94.

By Terrie L Hinchee Residing at 17657 Hill Road K Falls OR

Notary Public in and for the State of Oregon My commission expires 2-12-95