

RECORDATION REQUESTED BY:

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

Vol M95 Page

WHEN RECORDED MAIL TO:

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

SEND TAX NOTICES TO:

Walter C Badorek and Sharon D Badorek
4238 Onyx Ave
Klamath Falls, OR 97603

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED MAY 17, 1995, BETWEEN Walter C Badorek and Sharon D Badorek, doing Business as Badorek Enterprises, an assumed business name (referred to below as "Grantor"), whose address is 4238 Onyx Ave, Klamath Falls, OR 97603; and South Valley State Bank (referred to below as "Lender"), whose address is 801 Main Street, Klamath Falls, OR 97601.

DEED OF TRUST. Grantor and Lender have entered into a Deed of Trust dated February 17, 1995 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded on February 28, 1995 in Klamath County Clerk's Office volume M95 at page 4484

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

A leasehold interest in Lot 2 in Block B, RECREATION CREEK, US FOREST SERVICE SUMMER HOME DIVISION.

The Real Property or its address is commonly known as 28415 Rocky Point Rd, Klamath Falls, OR 97601.

MODIFICATION. Grantor and Lender hereby modify the Deed of Trust as follows:

Extend Maturity date to May 10, 2010

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust 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 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 Deed of Trust (the "Note"). 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 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 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 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 DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

X Walter C Badorek
Walter C Badorek

X Sharon D Badorek
Sharon D Badorek

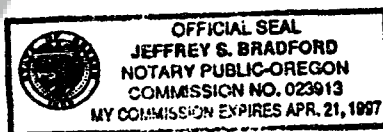
LENDER:

South Valley State Bank

By: Jeffrey S. Bradford
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon)
) ss
COUNTY OF Klamath)



On this day before me, the undersigned Notary Public, personally appeared Walter C Badorek and Sharon D Badorek, to me known to be the individuals described in and who executed the Modification of Deed of Trust, 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 24th day of May, 19 95.

By Jeffrey S. Bradford Residing at 801 Main St, K. Falls, OR 97601
Notary Public in and for the State of Oregon My commission expires 4/21/97

LENDER ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath

On this 24th day of May, 19 95, before me, the undersigned Notary Public, personally appeared _____ and known to me to be the _____, 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 _____ Residing at _____
Notary Public in and for the State of Oregon My commission expires _____

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the 26th day
of May A.D., 19 95 at 10:06 o'clock A M., and duly recorded in Vol. M95
of Mortgages on Page 13950

FEE \$15.00

By Bernetha G. Letsch County Clerk
[Signature]

MODIFICATION OF DEED OF TRUST

RECORDING OFFICE
601 STATE STREET
ASTORIA, OREGON 97103
SEND TWO COPIES TO:

RECORDING OFFICE
601 STATE STREET
ASTORIA, OREGON 97103
WHEN RECEIVED MAIL TO:

RECORDING OFFICE
601 STATE STREET
ASTORIA, OREGON 97103
RECORDING OFFICE MAIL TO: