

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:

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

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE IS DATED OCTOBER 6, 1995, BETWEEN Owen N Matthews and Debra G. Matthews, Husband and Wife (referred to below as "Grantor"), whose address is 29595 DeMerritt 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 July 7, 1993 (the "Mortgage") recorded in Klamath County, State of Oregon as follows:

Recorded July 22, 1993 Volume M93, Page 17856 Klamath County Recorder

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 DeMerritt Road, Malin, OR 97632.

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

Extend Maturity Date to August 30, 1996.

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

Owen N Matthews

X

Debra G. Matthews

LENDER:

South Valley State Bank

By:

Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON)
) SS
COUNTY OF KLAMATH)

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.

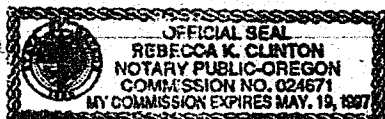
Given under my hand and official seal this 30th day of OCTOBER, 1995.

By: Rebecca K. Clinton

Residing at _____

Notary Public in and for the State of OREGONMy commission expires 5/19/97

COMMISSION



LENDER ACKNOWLEDGMENT

STATE OF _____) ss
COUNTY OF _____)

On this _____ day of _____, 19____, 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 _____ My commission expires _____

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COMMISSION OF _____

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ South Valley State Bank the _____ 2nd _____ day
of _____ November _____ A.D., 19 _____ 95 at _____ 11:29 o'clock _____ A.M., and duly recorded in Vol. _____ M95
of _____ Mortgages _____ on Page _____ 30048

FEE \$15.00 By _____ Bernetha G. Letsch, County Clerk
Annette Mueller

NOTARIAL PUBLIC STATE OF OREGON
I, _____, Notary Public for the State of Oregon, do hereby certify that the foregoing instrument was duly executed and acknowledged before me on the _____ day of _____, 19____, at _____, Oregon, in accordance with the provisions of the Notary Public Law of the State of Oregon, and that the seal of said Lender is the corporate seal of said Lender.

WITNESS MY HAND AND SEAL OF OFFICE this _____ day of _____, 19____.

NOTARIAL PUBLIC STATE OF OREGON
I, _____, Notary Public for the State of Oregon, do hereby certify that the foregoing instrument was duly executed and acknowledged before me on the _____ day of _____, 19____, at _____, Oregon, in accordance with the provisions of the Notary Public Law of the State of Oregon, and that the seal of said Lender is the corporate seal of said Lender.

MODIFICATION OF MORTGAGE

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