

RECORDATION REQUESTED BY:

South Valley Bank & Trust
883 Main Street
Klamath Falls, OR 97601

Tammy S

WHEN RECORDED MAIL TO:

South Valley Bank & Trust
883 Main Street
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

Richard F Bogatay, Richard L Garbutt and Robert J Bogatay
Klamath Falls, OR 97601

97 MAR 20 P2:22

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED MARCH 4, 1987, BETWEEN Richard F Bogatay, Richard L Garbutt and Robert J Bogatay, vested as: RICHARD F BOGATAY, as to an undivided 1/3 interest, RICHARD L GARBUTT, as to an undivided 1/3 interest, and ROBERT J BOGATAY, as to an undivided 1/3 interest, (referred to below as "Grantor"), whose address is, Klamath Falls, OR 97601; and South Valley Bank & Trust (referred to below as "Lender"), whose address is 883 Main Street, Klamath Falls, OR 97601.

DEED OF TRUST. Grantor and Lender have entered into a Deed of Trust dated January 21, 1982 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded in the office of the Clerk, Klamath County, Oregon on February 3, 1982 in Volume 2582, Page 2294, Reception #48577.

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

The Easterly 45 feet of lot 1 of Block 15 of the Original town of Linkville, now the City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows:
Beginning at the Southeast corner of Lot 1 in Block 15 of the City of Klamath Falls (Formerly Linkville) at the corner of Main and Seventh Streets; thence Northerly along the Easterly boundary of said Lot a distance of 105 feet; thence Westerly at right angles with Seventh Street a distance of 45 feet; thence Southerly parallel with Seventh Street a distance of 105 feet to the boundary line of Main Street; thence Easterly along Main Street 45 feet to the place of beginning.

The Real Property or its address is commonly known as 635 Main Street, Klamath Falls, OR 97601. The Real Property tax identification number is 3809-32AB-6500.

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

Interest rate reduction and extension of Maturity date.

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 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 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 Richard F Bogatay

X Richard L Garbutt

X Robert J Bogatay

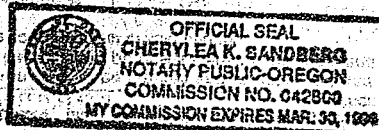
LENDER:

South Valley Bank & Trust

By:

Cheryl A. Sandberg
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF ORCOUNTY OF Klamath

On this day before me, the undersigned Notary Public, personally appeared Richard F Bogatay, Richard L Garbutt and Robert J Bogatay, 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 06 day of March, 1987.

By:

Cheryl A. Sandberg

Residing at

South Valley Bank & Trust

Notary Public in and for the State of Oregon

My commission expires

3-30-89

FORM NO 201211

03-07-1983

(continued)

MODIFICATION OF DEED OF TRUST

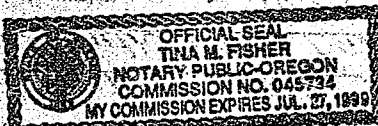
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LENDER ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath



On this 10th day of March, 1997, before me, the undersigned Notary Public, personally appeared John F. Fisher and known to me to be the President, 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 Tina M. Fisher Notary Public in and for the State of Oregon My commission expires 7-27-99

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STATE OF OREGON : COUNTY OF KLAMATH: ss.

Filed for record at request of South Valley Bank & Trust the 20th day of March A.D. 19 97 at 2:22 o'clock P.M., and duly recorded in Vol. M97 of Mortgages on Page 8250

FEE \$15.00 by Bernice G. Letsch, County Clerk
Kathleen Ross

NOTARIAL STATEMENT AND EXTENSION OF TERM: The Notary Public in and for the State of Oregon, Tina M. Fisher, on this 10th day of March, 1997, at Klamath Falls, Oregon, personally appeared John F. Fisher, President of South Valley Bank & Trust, a corporation organized under the laws of the State of Oregon, 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.

DEED OF TRUST: The Deed of Trust covering the following described real property (the "Property") located in Clatsop County, State of Oregon, to-wit:

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