

TLs 12/22/97

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RECORDATION REQUESTED BY:

'97 DEC 24 P1:11

Vol. M97 Page 41964

South Valley Bank & Trust
P O Box 5210
Klamath Falls, OR 97603

WHEN RECORDED MAIL TO:

South Valley Bank & Trust
P O Box 5210
Klamath Falls, OR 97603

SEND TAX NOTICES TO:

South Valley Bank & Trust
P O Box 5210
Klamath Falls, OR 97603

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE IS DATED DECEMBER 17, 1997, BETWEEN Vincent J Finnlanous and Deborah A Finnlanous, AS TENANTS BY THE ENTIRETY, (referred to below as "Grantor"), whose address is 834 Richmond St, Klamath Falls, OR 97601; and South Valley Bank & Trust (referred to below as "Lender"), whose address is P O Box 5210, Klamath Falls, OR 97603.

MORTGAGE. Grantor and Lender have entered into a mortgage dated April 24, 1997 (the "Mortgage") recorded in Klamath County, State of Oregon as follows:

Recording Date, May 5th, 1997, in the office of the Klamath County Clerk, Vol. M97 of Mortgages, page 13679.

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

Lot 19 of OUSE KILA HOMESITES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, State of Oregon.

The Real Property or its address is commonly known as 2099 Lakeshore Drive, Klamath Falls, OR 97601. The Real Property tax identification number is 3808-026AA-03000.

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

Extend the maturity date to May 15, 1998.
Increase the interest rate by 1/2 percent, resulting in an initial rate of 12.5%.

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 Vincent J Finnlanous

x Deborah A Finnlanous

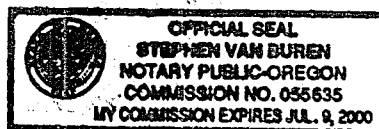
LENDER:

South Valley Bank & Trust

By: Stephen VanBuren
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Klamath)



On this day before me, the undersigned Notary Public, personally appeared Vincent J Finnlanous and Deborah A Finnlanous, 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.

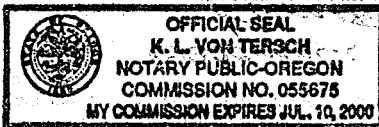
Given under my hand and official seal this 19th day of December, 19 97.

By Stephen VanBuren Residing at Klamath Falls
Notary Public in and for the State of Oregon My commission expires July 9, 2000

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LENDER ACKNOWLEDGMENT

STATE OF OREGON)
COUNTY OF Klamath) ss



On this 19th day of December, 19 97, before me, the undersigned Notary Public, personally appeared Stephen Van Buren 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 K. L. Von Tersch Residing at 801 Main St
Notary Public in and for the State of OREGON My commission expires 07/10/00

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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of South Valley Bank the 24th day
of December A.D., 19 97 at 1:11 o'clock P.M., and duly recorded in Vol. M97
of Mortgages on Page 41964

FEE \$15.00

By Bernetha G. Letsch, County Clerk
Kathleen Ross

MODIFICATION OF MORTGAGE

RECORDED BY: [illegible]
FILED BY: [illegible]
DATE: [illegible]

RECORDED BY: [illegible]
FILED BY: [illegible]
DATE: [illegible]

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FILED BY: [illegible]
DATE: [illegible]

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FILED BY: [illegible]
DATE: [illegible]

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