

AMT 1396-9330

## MODIFICATION OF MORTGAGE OR TRUST DEED

THIS AGREEMENT, made and entered into this 4TH day of AUGUST, 19 98 by and between  
ALLEN E. BURNS AND JOANN A. BURNS

hereinafter called the "Borrower(s)" and South Valley Bank & Trust, an Oregon Banking Corporation, hereinafter called the "Lender".

WITNESSETH: On or about the 9TH day of APRIL, 19 97, the Borrower(s) (or the original maker(s) if the Borrower is an assignee of record) did make, execute and deliver to the Lender that certain promissory note in the sum of \$ 229,300.00, payable in monthly installments with interest at the rate of 10.5 % per annum. For the purpose of securing the payment of said promissory note, the Borrower(s) (or the original maker(s) if the Borrower is an assignee of record) did make, execute and deliver to the Lender their certain Mortgage or Trust Deed, hereinafter called a "Security Instrument" bearing date of APRIL 9, 19 97 conveying the following described real property, situated in the County of KLAMATH State of OREGON to-wit:

LOT 5, BLOCK 2, TRACT 1267, NORTH RIDGE ESTATES, ACCORDING TO THE OFFICIAL THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON.

ACCOUNT NO: 3809-015D0-00600 KEY NO: 872786 CODE NO: 183

which Security Instrument was duly recorded in the records of said county and state. APRIL 10, 1997

There is now due and owing upon the promissory note aforesaid, the principal sum of ONE HUNDRED FORTY-SEVEN THOUSAND, SIX HUNDRED AND FIFTY-FIVE DOLLARS AND EIGHTY-SIX CENTS DOLLARS (\$ 147,655.86 ), together with the accrued interest thereon, and the Borrower(s) desire a modification of the terms of payment thereof, to which the Lender is agreeable on the terms and conditions hereinafter stated and not otherwise.

NOW THEREFORE, in consideration of the premises and of the promises and agreements hereinafter contained, the parties hereto do hereby agree that the balance now due and owing on the promissory note hereinabove described shall be and is payable in monthly installments of INTEREST ONLY ON DISBURSED FUNDS DOLLARS (\$ XXXXXXXXXXXX ) each, ACCRUED interest on the unpaid balance at the rate of 10.5 % per annum. The first installment shall be and is payable on the 1ST day of AUGUST, 19 98 and a like installment shall be and is payable on the 1ST day of each month thereafter until the principal and interest are fully paid, except that the final payment of principal and interest if not sooner paid, shall be due and payable on the 1ST day of NOVEMBER, 19 98. If any of said installments or either principal or interest are not so paid, the entire balance then owing shall, at the option of the Lender or its successors in interest, become immediately due and payable without notice.

Except as herein modified in the manner and on the terms and conditions herein stated, the said promissory note and Security instrument shall be in full force and effect, with all the terms and conditions of which the Borrower (s) do agree to comply in the same manner and to the same extent as though the provisions thereof were in all respects incorporated herein and made a part of this agreement.

IN WITNESS WHEREOF, the Borrower(s) have hereunto set their hand(s) and seal (s) and the Lender has caused these presents to be executed on its behalf by its duly authorized representative this day and year first hereinabove written.

Allen Burns  
 Signature of Borrower

South Valley Bank & Trust

By: Margie Weigert Stegahn  
 Authorized Signature

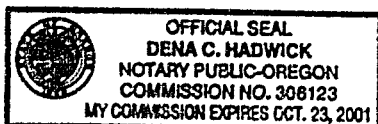
Joann Burns  
 Signature of Borrower

State of Oregon

County of Klamath

Personally appeared the above named Allen Burns & Joann Burns

and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:



Dena C. Hadwick  
 Notary Public for Oregon  
 My commission expires 10-23-01

31182

Vol 98 Page 31182

NOTIFICATION OF MORTGAGE OR TRUST DEED

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AMT 1341-2330  
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STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 25th day  
of August A.D., 19 98 at 10:46 o'clock A. M., and duly recorded in Vol. M98  
of Mortgages on Page 31182

FEE \$15.00

By Bernetha G. Leisch, County Clerk  
Kathleen Ross

