

70996
RECORDATION REQUESTED BY:

South Valley Bank & Trust
P.O. Box 5210
Klamath Falls, OR 97601

Vol. 431 Page 41691
88 DEC -7 P3:39

WHEN RECORDED MAIL TO:

South Valley Bank & Trust
P.O. Box 5210
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

Walter C Badorek and Sharon D Badorek
4238 Onyx Ave
Klamath Falls, OR 97601

ASPEN 040418707

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED NOVEMBER 4, 1998, BETWEEN Walter C Badorek and Sharon D Badorek, not as tenants in common, but with rights of survivorship (referred to below as "Grantor"), whose address is 4238 Onyx Ave, Klamath Falls, OR 97603; and South Valley Bank & Trust (referred to below as "Lender"), whose address is P.O. Box 5210, Klamath Falls, OR 97601.

DEED OF TRUST. Grantor and Lender have entered into a Deed of Trust dated December 31, 1997 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded February 23, 1998 in Klamath County in Map page 5730

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

See attached Exhibit B

The Real Property or its address is commonly known as Hillyard, Klamath Falls, OR 97603.

MODIFICATION. Grantor and Lender hereby modify the Deed of Trust as follows:
Extend maturity date to December 31, 1998.

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 endorers 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

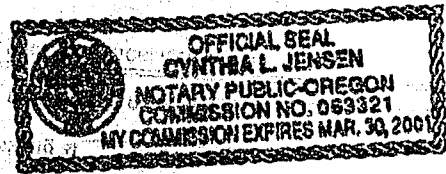
LENDER:

South Valley Bank & Trust

By: Jeffrey S Bradford
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon
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 19th day of November, 1998.
By Cynthia L Jensen Residing at Klamath Falls
Notary Public in and for the State of Oregon My commission expires 3/30/2001

LENDER ACKNOWLEDGMENT

11-04-1998

(continued)
MODIFICATION OF DEED OF TRUST

4/20/98

PARCEL 1:

A portion of the SW 1/4 SW 1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows:

Beginning at a point 50 feet West and 330.31 feet North of the Southeast corner of the SW 1/4 SW 1/4, said point being on the North line of that certain parcel of land conveyed by Nassou Company, a corporation, to Great Northern Railway Company, dated September 28, 1928, recorded October 29, 1928 in Book 82 at Page 463, Deed Records of Klamath County, Oregon; thence North along a line parallel to and 50 feet West of the East line of the SW 1/4 SW 1/4, 135 feet; thence West along a line parallel to the South line of the SW 1/4 SW 1/4, 323 feet; thence South along a line parallel to the East line of the SW 1/4 SW 1/4, 135 feet, more or less, to a point on the North line of the above described parcel of land conveyed to Great Northern Railway Company; thence East along said North line 323 feet, more or less, to the point of beginning.

PARCEL 2:

A parcel of land situated in the E 1/2 N 1/2 S 1/2 SW 1/4 SW 1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows:

Beginning at the Southwest corner of said subdivision; thence North on the West line thereof to its Northwest corner; thence East on the North line 610 feet, more or less, to the West right of way line of O.C. & E. Railroad; thence South on said line to the North line of the tract of land deeded to Warner by Deed recorded in Book 291 at Page 469, Deed Records of Klamath County, Oregon; thence West on the North line of said Warner Tract to the Northwest corner thereof; thence South on the West line of said Warner Tract to the South line of the N 1/2 E 1/2 S 1/2 SW 1/4 SW 1/4; thence West on the South line of said subdivision 285 feet, more or less, to the point of beginning.

EXHIBIT B

PARCEL 3:

A tract of land located in the S 1/2 of the SE 1/4 of the SW 1/4 of the SW 1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and more particularly described as follows:

Commencing at the Southwest corner of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon; thence South 89 degrees 33' 35" East, 927.74 feet; thence North 00 degrees 26' 25" East, 30 feet to the true point of beginning; thence North 00 degrees 26' 25" East, 269.68 feet; thence South 89 degrees 37' 05" East, 335.67 feet; thence North 00 degrees 12' 43" West, approximately 30 feet to a 5/8 inch iron pin and intersecting a line bearing North 89 degrees 37' 05" West; thence North 89 degrees 37' 05" West 608.97 feet to a 5/8 inch iron pin; thence South 00 degrees 17' 47" East, 299.63 feet to a 5/8 inch iron pin; thence South 89 degrees 33' 35" East, 269.65 feet to the true point of beginning.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 7th day
of December A.D., 19 98 at 3:39 o'clock P. M., and duly recorded in Vol. M98
of Mortgages on Page 44691

FEE \$25.00

By Bernetha G. Letsch, County Clerk
Kathleen Ross