

RECORDATION REQUESTED BY:

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

Vol M99 Page

WHEN RECORDED MAIL TO:

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

SEND TAX NOTICES TO:

Kleos Ministries, Inc.
32700 Riverbend Rd
Chiloquin, OR 97624

AMERTITLE, has recorded this instrument by request as an accommodation only, and has not examined it for regularity or efficiency. It is to its effect upon the title to any real property that may be described therein.

MTC 1396-1122

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED JUNE 29, 1999, BETWEEN Kleos Ministries, Inc., an Oregon Non-Profit Corporation (referred to below as "Grantor"), whose address is 32700 Riverbend Rd, Chiloquin, OR 97624; and South Valley Bank and 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 August 31, 1998 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded on September 2, 1998 at the Klamath County Clerk's Office, Volume M98, page 32355, reception #65613

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

In Section 20, Township 36 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon: Lots 11, 13, 17, 18, 23, 24, 28, and 29, EXCEPTING from Lots 18 and 23 the following described parcel:

Beginning at a point on the Southerly bank of Williamson River which lies West a distance of 225 feet and North a distance of 61 feet from the Northeast corner of said Lot 23, said beginning point being the northeast corner of parcel of land described in Deed Volume 106, page 474, records of Klamath County, Oregon; thence South a distance of 190.03 feet to the Southeast corner of said parcel; thence North 72 degrees 05' West to a point on the North line of said Lot 23 which is 700 feet East of the Northwest corner of said lot and which said point is the Southwest corner of parcel of land described in Volume 106, page 291, Deed Records of Klamath County, Oregon; thence North along the West line of last mentioned parcel a distance of 210 feet, more or less, to a point on the Southerly bank of Williamson River; thence Easterly along said Southerly bank to the point of beginning. ALSO SAVING AND EXCEPTING THEREFROM a 99% interest in mineral rights conveyed by Volume M78, page 29013, and amended by Volume M79, page 4442, Deed Records of Klamath County, Oregon

The Real Property or its address is commonly known as 32700 Riverbend Rd, Klamath Falls, OR 97601.

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

Modify to add Note #830138342 dated June 29, 1999, in the principal amount of \$135,000.00 with a Maturity date of July 1, 2006

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 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 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:

Kleos Ministries, Inc.

By: Gordon Hamkins
Gordon Hamkins, President

By: Vicki Hamkins
Vicki Hamkins, Vice President

LENDER:

South Valley Bank and Trust

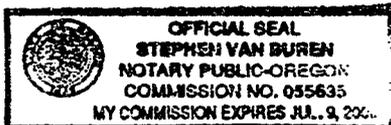
By: Stephen VanBuren
Authorizing Officer

RECORDED
JUL 13 1999
CLERK OF COUNTY
Klamath Falls, Oregon

W

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) ss



On this 29th day of June, 19 99, before me, the undersigned Notary Public, personally appeared Gordon Hankins, President; and Vicki Hankins, Vice President of Kleos Ministries, Inc., and known to me to be authorized agents of the corporation that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

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

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) ss



On this 29th day of June, 19 99, before me, the undersigned Notary Public, personally appeared Stephen Van Buren and known to me to be the Lending Office, 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.

Tammy L. Strop Residing at 803 Main St. Klamath Falls
Notary Public in and for the State of Oregon My commission expires April 14, 2002

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State of Oregon, County of Klamath
Recorded 7/13/99, at 11:45 a. m.
In Vol. M99 Page 27953
Linda Smith,
County Clerk Fee \$ 15 HR

Unofficial Copy