

RECORDATION REQUESTED BY:

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

Vol M99 Page 28263

WHEN RECORDED MAIL TO:

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

1999 JUL 14 PM 3:38

SEND TAX NOTICES TO:

Gayle Payne Nicholson
1889 Austin St
Klamath Falls, OR 97603

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

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MTC 1396-1126 LT.

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED APRIL 29, 1999, BETWEEN Gayle Payne Nicholson (referred to below as "Grantor"), whose address is 1889 Austin St, Klamath Falls, OR 97603; 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 May 27, 1998 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded on May 27, 1998 at the Klamath County Clerk's office, Volume M98, page 17856, reception #58778

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

Lot 6 and the West 5 feet of Lot 5 in Block 8 of THIRD ADDITION TO WINEMA GARDENS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

The Real Property or its address is commonly known as 6212 Climax Ave, Klamath Falls, OR 97603.

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

Extend the Maturity Date to March 30, 2000

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 Gayle Payne Nicholson
Gayle Payne Nicholson

LENDER:

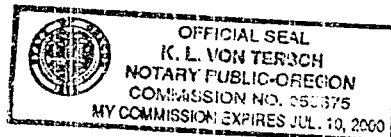
South Valley Bank and Trust

By:

Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Klamath Oregon)
) SS
COUNTY OF Klamath)



On this day before me, the undersigned Notary Public, personally appeared Gayle Payne Nicholson, to me known to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 29th day of April, 19 99

By K. L. Von Terich

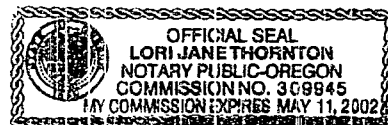
Residing at 201 Main St

Notary Public in and for the State of Oregon

My commission expires 07/10/00

LENDER ACKNOWLEDGMENT

STATE OF OREGON
COUNTY OF Klamath



On this 30th day of April, 1999, before me, the undersigned Notary Public, personally appeared KL Venter 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 [Signature]
Notary Public in and for the State of OREGON

Residing at Klamath Falls Oregon
My commission expires 5-11-2002

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State of Oregon, County of Klamath
Recorded 7/14/99, at 3:38 p.m.
In Vol. M99 Page 28263
Linda Smith,
County Clerk Fee \$ 15 RL