

RECORDATION REQUESTED BY:

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

Vol M99 Page 28265

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 P 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 legal validity and sufficiency
or as to its effect upon the title to any real property
that may be described therein.

MTC 1396-1125

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED APRIL 30, 1999, BETWEEN Gayle P 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 June 19, 1996 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded July 5, 1995 in the office of the Clerk, County of Klamath, State of Oregon, Volume M96, Page 15946, reception #20874;
Modified on January 23, 1998, Volume M98, page 2192

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

Parcel 6:

A portion of Tract 32 of ENTERPRISE TRACRS, situated in the NW1/4 of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a 5/8 inch iron pin on the East line of said Tract 32 which bears North along said East line a distance of 180.72 feet from the Southeast corner of said Tract; thence leaving said East line, South 89 degrees 51' 50" West a distance of 119.94 feet to a 5/8 inch iron pin on the East line of Austin Street; thence North 00 degrees 20' 45" East along said East line a distance of 175.0 feet to the Southwest corner of parcel described in instrument recorded in Volume M87, page 12556, Microfilm records of Klamath County, Oregon; thence North 89 degrees 51' 50" East along the South line of said parcel a distance of 119.97 feet to the East line of said Tract 32; thence South along said East line a distance of 175.0 feet to the point of beginning.

The Real Property or its address is commonly known as 1889 Austin Street, Klamath Falls, OR 97603. The Real Property tax identification number is 3909-3BA-4702.

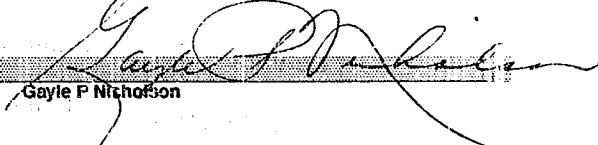
MODIFICATION. Grantor and Lender hereby modify the Deed of Trust as follows:

Extend the maturity date to September 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 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:

X 
Gayle P Nicholson

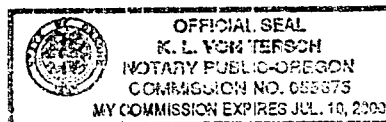
LENDER:

South Valley Bank and Trust

By: 
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON)
COUNTY OF Klamath) SS



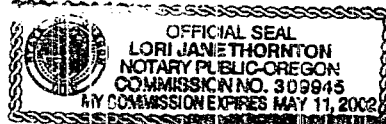
On this day before me, the undersigned Notary Public, personally appeared Gayle P Nicholson, to me known to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed, for the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

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

By K. L. Von Tersch Residing at 801 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) SS



On this 30th day of April, 19 99, before me, the undersigned Notary Public, personally appeared K. L. Von Tersch 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] Residing at Klamath Falls OR 97601
Notary Public in and for the State of OREGON My commission expires 5-11-2002

State of Oregon, County of Klamath
Recorded 7/14/99, at 3:38 p. m.
In Vol. M99 Page 24265
Linda Smith,
County Clerk Fee \$ 15 KL