

TS 7/23/99
RECORDATION REQUESTED BY:

South Valley Bank and Trust
P O Box 5219
Klamath Falls, OR 97601

Vol M99 Page 29781

WHEN RECORDED MAIL TO:

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

1999 JUL 26 PM 3:33

SEND TAX NOTICES TO:

William L. Rudesill
1165 Harbor Isles Blvd
Klamath Falls, OR 97601

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.

MTC 1396-1167

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED JULY 8, 1999, BETWEEN William L. Rudesill (referred to below as "Grantor"), whose address is 1165 Harbor Isles Blvd, Klamath Falls, OR 97601; 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 30, 1995 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded in the office of the Klamath County Clerk, on September 7, 1995, Volume M95, page 24151, microfilm #5735, Modified and recorded on March 15, 1999, Volume M99, page 8937.

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

PARCEL 1: Lot 47 in Block 1 of FIRST ADDITION TO HARBOR ISLES, TRACT NO. 1252, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

PARCEL 2: Lots 45 and 46 in Block 1 of FIRST ADDITION TO HARBOR ISLES, TRACT 1252, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

The Real Property or its address is commonly known as 1165 Harbor Isles Blvd, Klamath Falls, OR 97601.

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

Renew and extend the maturity date to January 10, 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 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

William L. Rudesill

LENDER:

South Valley Bank and Trust

By:

Hel Sturgis
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

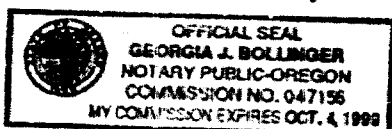
STATE OF Oregon)
) ss
COUNTY OF Klamath)

On this day before me, the undersigned Notary Public, personally appeared William L. Rudesill, 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 21st day of July, 19 99.

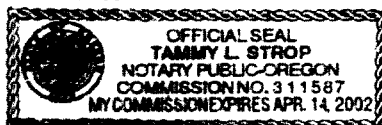
By Georgia J. Bollinger Residing at Klamath Falls, OR

Notary Public in and for the State of Oregon My commission expires Oct 4, 1999



LENDER ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath) ss



On this 21st day of July, 1999, before me, the undersigned Notary Public, personally appeared Linda Smith and known to me to be the 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 803 Main K40 97160
My commission expires April 14 2002

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State of Oregon, County of Klamath
Recorded 7/26/99, at 3:33 p.m.
In Vol. M99 Page 29781
Linda Smith,
County Clerk Fee \$ 15 HL