

RECORDATION REQUESTED BY:

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

Vol MOO Page 11416

WHEN RECORDED MAIL TO:

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

2000 APR -7 AM 11:28

SEND TAX NOTICES TO:

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

MTL 37290

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated April 5, 2000, is made and executed between Gregory J Cheyne and Linda R Cheyne; as Tenants by the Entirety ("Grantor") and South Valley Bank & Trust, Commercial Branch, P O Box 5210, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated February 29, 1996 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded on April 24, 1996 in Klamath County Clerk's Office, Volume M96 at page 11486; Modified on March 26, 1997, recorded on April 8, 1997, Volume M97 at page 10269; Modified on March 25, 1998, recorded on March 27, 1998, Volume M98 at page 9973; Modified on April 5, 1999, recorded on April 13, 1999, Volume M99 at page 13504.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Klamath County, State of Oregon:

The West one-half of Lot 40 and all of Lots 41, 42, 43 and 44 in Block 4 of SIXTH STREET ADDITION, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, EXCEPTING THEREFROM that parcel conveyed to State Highway Commission by William Hunt, et ux, recorded in volume 149, page 159 Records of Klamath County, Oregon

The Real Property or its address is commonly known as 2437 So 6th St, Klamath Falls, OR 97603.

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

Extend the Maturity Date to March 15, 2001.

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.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED APRIL 5, 2000.

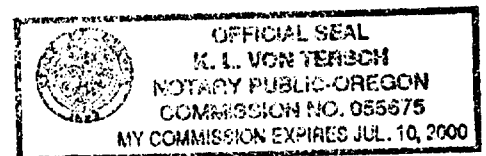
GRANTOR:

x Gregory J Cheyne
Gregory J Cheyne, Individually

x Linda R Cheyne
Linda R Cheyne, Individually

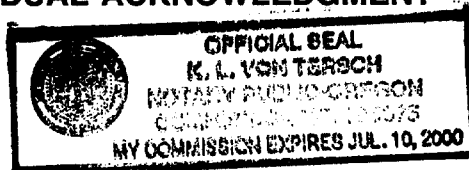
LENDER:

x A. L. Von Tersch
Authorized Officer



INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON)
) SS
COUNTY OF KLAMATH)



On this day before me, the undersigned Notary Public, personally appeared Gregory J Cheyne and Linda R Cheyne, 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 5th day of April, 2000.

By A. L. Von Tersch Residing at 801 MAIN ST

Notary Public in and for the State of OREGON My commission expires 07/10/00

26.00

LENDER ACKNOWLEDGMENT

STATE OF OREGON)
) SS
COUNTY OF KLAMATH)



On this 5TH day of APRIL, 20 00, before me, the undersigned Notary Public, personally appeared K.L. VONTersch 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 97601
My commission expires 5/11/2002

State of Oregon, County of Klamath
Recorded 04/07/00, at 11:28 a.m.
In Vol. M00 Page 114/6
Linda Smith,
County Clerk Fee \$ 26.00