

RECORDATION REQUESTED BY:  
Washington Mutual Bank dba Western Bank  
Klamath Falls Branch  
421 South 7th Street  
P.O. Box 669  
Klamath Falls, OR 97601-0322

200 JUN 20 PM 2:00

Vol M00 Page 22472

WHEN RECORDED MAIL TO:  
Washington Mutual Bank dba Western Bank  
Klamath Falls Branch  
421 South 7th Street  
P.O. Box 669  
Klamath Falls, OR 97601-0322

SEND TAX NOTICES TO:  
Richard H. Otteman  
Jean I. Otteman  
1680 Cove Point Road  
Klamath Falls, OR 97601

K55559

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

## MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated May 26, 2000, is made and executed between Richard H. Otteman and Jean I. Otteman, an estate in fee simple as tenants by the entirety, whose address is 1680 Cove Point Road, Klamath Falls, OR 97601 ("Grantor") and Washington Mutual Bank dba Western Bank, Klamath Falls Branch, 421 South 7th Street, P.O. Box 669, Klamath Falls, OR 97601-0322 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated May 10, 1999 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded May 13, 1999 in Klamath County, State of Oregon in Volume No. M99 and Page No. 18808.

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

Parcel 2 of Land Partition 19-98 filed in the office of the County Clerk of Klamath County, Oregon, located in the SW 1/4 NE 1/4 and NW 1/4 SE 1/4 of Section 22, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon

The Real Property or its address is commonly known as 2130 Old Fort Road, Klamath Falls, OR 97601. The Real Property tax identification number is R440570.

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

Pursuant to the execution of that certain Change in Terms Agreement of even date herewith, Grantor hereby agrees that the Deed of Trust is decreased from \$200,000.00 to \$138,000.00; and that Parcel 3 of Land Partition 19-98 filed in the office of the County Clerk of Klamath County, Oregon located in the SW 1/4 NE 1/4 and NW 1/4 SE 1/4 of Section 22, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon is hereby released.

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 MAY 26, 2000.

NOTICE TO THE GRANTOR: Do not sign this loan agreement before you read it. This loan agreement provides for the payment of a penalty if you wish to repay the loan prior to the date provided for repayment in the loan agreement.

GRANTOR:

X Richard H. Otteman  
Richard H. Otteman, Individually

X Jean I. Otteman  
Jean I. Otteman, Individually

LENDER:

X [Signature]  
Authorized Officer

## INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON )  
 ) SS  
COUNTY OF KLAMATH )

On this day before me, the undersigned Notary Public, personally appeared Richard H. Otteman and Jean I. Otteman, 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 16<sup>th</sup> day of June, 2000.

By Patricia M. Johnson Residing at 422 Main St KFO  
Notary Public in and for the State of Oregon My commission expires Aug 4, 2000

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MODIFICATION OF DEED OF TRUST  
(Continued)

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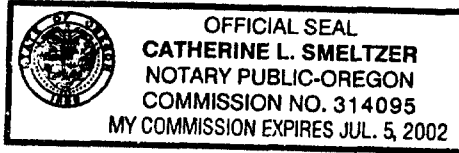
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LENDER ACKNOWLEDGMENT

STATE OF OREGON )

) SS

COUNTY OF KLAMATH )



On this 26<sup>th</sup> day of May, 20 00, before me, the undersigned Notary Public, personally appeared Charles R. Skyberg and known to me to be the Business Banking 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 Catherine L. Smeltzer  
Notary Public in and for the State of Oregon

Residing at Klamath Falls, OR  
My commission expires July 5, 2002

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State of Oregon, County of Klamath  
Recorded 06/20/00, at 2:00 p. m.  
In Vol. M00 Page 22472  
Linda Smith,  
County Clerk Fee \$ 26<sup>00</sup>