

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 27 AM 9:01

Vol M00 Page 23228

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:
Robert Gary Derry
P.O. Box 361
Malin, OR 97632

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE dated May 30, 2000, is made and executed between Robert Gary Derry, whose address is P.O. Box 361, Malin, OR 97632 (referred to below as "Grantor") and Washington Mutual Bank dba Western Bank, whose address is Klamath Falls Branch, 421 South 7th Street, P.O. Box 669, Klamath Falls, OR 97601-0322 (referred to below as "Lender").

MORTGAGE. Lender and Grantor have entered into a Mortgage dated May 30, 1995 (the "Mortgage") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded August 29, 1995 in the official records of Klamath County, Volume No. M95, Page 23303.

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

See Exhibit "A" attached hereto and by this reference incorporated herein

The Real Property or its address is commonly known as 19055 Drazil Road, Malin, OR 97632.

MODIFICATION. Lender and Grantor hereby modify the Mortgage as follows:

Pursuant to the execution of that certain Promissory Note of even date herewith, Grantor hereby agrees that the maturity date of the Mortgage is extended to May 30, 2001.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Mortgage shall remain unchanged and in full force and effect and are legally valid, binding, and enforceable in accordance with their respective terms. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Mortgage 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 Mortgage (the "Note"). It is the intention of Lender to retain as liable all parties to the Mortgage 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 Mortgage 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 MORTGAGE AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF MORTGAGE IS DATED MAY 30, 2000.

GRANTOR:

X Robert Gary Derry
Robert Gary Derry, Individually

LENDER:

X [Signature]
Authorized Signer

INDIVIDUAL ACKNOWLEDGMENT

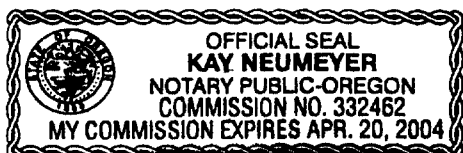
STATE OF OREGON)
) SS
COUNTY OF KLAMATH)

On this day before me, the undersigned Notary Public, personally appeared Robert Gary Derry, to me known to be the individual described in and who executed the Modification of Mortgage, 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 12th day of June, 2000.

By Kay Neumeier
Notary Public in and for the State of Oregon

Residing at Malin, Or
My commission expires April 20, 2004



MODIFICATION OF MORTGAGE
(Continued)

23229

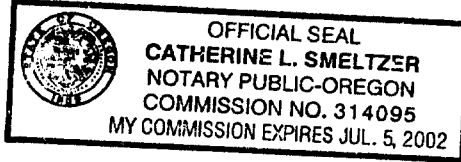
Page 2

LENDER ACKNOWLEDGMENT

STATE OF OREGON)

) SS

COUNTY OF KLAMSTH)



On this 1st day of June, 20 , 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


EXHIBIT "A"

Robert Gary Derry

The Real Property address is: 19055 Drazil Road
Malin, Oregon 97632

The following described property, Malin, Klamath County, State of Oregon:

SW1/4SE1/4 of Section 33, Township 40 South Range 12 East of the Willamette
Meridian, Klamath County, Oregon.

X 

State of Oregon, County of Klamath
Recorded 06/27/00, at 9:01 a.m.
In Vol. M00 Page 23228
Linda Smith,
County Clerk Fee \$ 31⁰⁰