

RECORDATION REQUESTED BY:

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

Vol M01 Page 38678

WHEN RECORDED MAIL TO:

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

SEND TAX NOTICES TO:

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

*mtc
1396-2992*

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated July 27, 2001, is made and executed between Scott W Cheyne and Janine M 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 April 24, 1998 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded on April 28, 1998 at the Klamath County Clerk's Office, Volume M98, Page 14095.

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

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

The Real Property or its address is commonly known as OR.

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

Extend the maturity date to November 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 JULY 27, 2001.

GRANTOR:

X *Scott W Cheyne*
Scott W Cheyne, Individually

X *Janine M Cheyne*
Janine M Cheyne, Individually

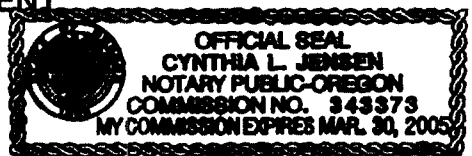
LENDER:

X *[Signature]*
Authorized Officer

AMERITITLE, has recorded this instrument by request as an accommodation. I have not examined it for recording purposes and its effect upon the title to the property described herein is not guaranteed.

INDIVIDUAL ACKNOWLEDGMENT

STATE OF *Oregon*)
COUNTY OF *Klamath*) SS)



On this day before me, the undersigned Notary Public, personally appeared Scott W Cheyne and Janine M Cheyne, as Tenants by the Entirety, 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 *27th* day of *July*, 20*01*.
By *Cynthia L Jensen* Residing at *Klamath Falls*
Notary Public in and for the State of *Oregon* My commission expires *3/30/05*

LENDER ACKNOWLEDGMENT

STATE OF

Oregon

)

COUNTY OF

Klamath

) SS

)



On this 27th day of July, 20 01, before me, the undersigned Notary Public, personally appeared Kirith S. Elk 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

Cynthia L. Jensen
Oregon

Residing at

Klamath Falls

Notary Public in and for the State of

My commission expires

3/30/2005

Exhibit "A"

A parcel of land situate in Section 27, Township 40 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at the $\frac{1}{4}$ section corner common to Sections 22 and 27, Township 40 South, Range 9 East of the Willamette Meridian; thence South 0 degrees 31' 15" East along the North-South centerline of said Section 27, 3421.73 feet to a point; thence South 38 degrees 01" West 431.2 feet to a point on the Northerly right of way line of the Lower Klamath Lake Road, as the same is presently located and constructed, thence Northwesterly along said Northerly right of way line 1830 feet, more or less, to a point on the East-West centerline of said Section 27; thence North 89 degrees 32' 50" East along said East-West centerline 414.50 feet to the Center West 1/16 corner of said Section 27; thence North 0 degrees 21' 10" West 2634.13 feet to the West 1/16 corner common to Sections 22 and 27; thence North 89 degrees 51' 30" East, 1301.60 feet to the point of beginning.

State of Oregon, County of Klamath
Recorded 08/01/01 at 2:13 p. m.
In Vol. M01 Page 38678
Linda Smith,
County Clerk Fee\$ 31⁰⁰