

RECORDATION REQUESTED BY:

PremierWest Bank
Loan Production Center
P O Box 40
503 Airport Road
Medford, OR 97501

MTZ 1396-4620

Vol M03 Page 03389

State of Oregon, County of Klamath
Recorded 01/17/2003 3:08 p. m.
Vol M03 Pg 03389-90
Linda Smith, County Clerk
Fee \$ 26⁰⁰ # of Pgs 2

WHEN RECORDED MAIL TO:

PremierWest Bank
ATTN: Loan Assistant
P O Box 40
Medford, OR 97501

SEND TAX NOTICES TO:

Donald R. Davis
PO Box 1889
Jacksonville, OR 97530

1207490003

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated January 8, 2003, is made and executed between Donald R. Davis ("Grantor") and PremierWest Bank, Loan Production Center, P O Box 40, 503 Airport Road, Medford, OR 97501 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated October 4, 1995 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Deed of Trust dated October 4, 1995, in the amount of \$165,000.00, recorded on October 12, 1995 in Vol. M95 of Mortgages on Page 27576 in the Official Records of the Klamath County Clerk.

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

Parcel 1 of Partition No. 57-94 filed January 9, 1995 in the Office of the County Clerk of Klamath County, Oregon and being located in the SW 1/4 of the SW 1/4 of Section 18, Township 34 South, Range 7 East of the Willamette Meridian, Klamath County, Oregon.

The Real Property or its address is commonly known as 43441 Hwy 62, Chiloquin, OR 97624. The Real Property tax identification number is 3407-018CC-00100/00101

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

It is hereby agreed to extend the maturity date to December 3, 2010. The principal loan amount has been revised from \$165,000.00 to \$124,478.11.

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.

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 JANUARY 8, 2003.

GRANTOR:

x Donald R. Davis
Donald R. Davis, Individually

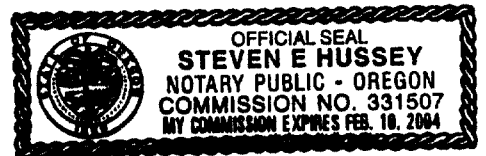
LENDER:

x [Signature] VP
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON
COUNTY OF JACKSON

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) SS
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On this day before me, the undersigned Notary Public, personally appeared Donald R. Davis, 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.

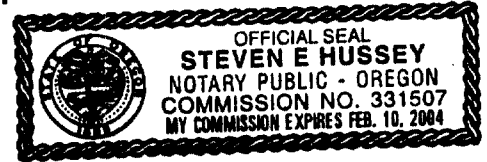
Given under my hand and official seal this 13TH day of JANUARY, 20 03.

By [Signature] Residing at Medford, OR
Notary Public in and for the State of OREGON My commission expires 2-10-04

LENDER ACKNOWLEDGMENT

STATE OF OREGON
COUNTY OF Jackson

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) SS
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On this 13TH day of January, 20 03, before me, the undersigned Notary Public, personally appeared GENE Taylor 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 HEFFORD, OR
My commission expires 2-10-04