

RECORDATION REQUESTED BY:

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

Vol M03 Page 23559

WHEN RECORDED MAIL TO:

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

State of Oregon, County of Klamath
Recorded 04/14/2003 2:58 p.m.
Vol M03 Pg 23559-61
Linda Smith, County Clerk
Fee \$ 31 # of Pgs 3

1396-4883

SEND TAX NOTICES TO:

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

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

'03 APR 14 PM 2:58

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE dated April 8, 2003, is made and executed between William E. Castle and Susan K. Castle, as Tenants by the Entirety, (referred to below as "Grantor") and South Valley Bank & Trust whose address is P O Box 5210, Klamath Falls, OR 97601 (referred to below as "Lender").

MORTGAGE. Lender and Grantor have entered into a Mortgage dated June 1, 1998 (the "Mortgage") which has been recorded in Klamath County, State of Oregon, as follows:

The original Mortgage dated June 1, 1998, recorded on June 10, 1998 in Volume M98 on page 19706 at the Klamath County Clerk's Office in Klamath Falls, Oregon.

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

The Real Property or its address is commonly known as 6402 Palomino Ct., Klamath Falls, OR 97603. The Real Property tax identification number is 3910-019AO-03800

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

Extend Maturity Date to April 1, 2008. Current principal amount of Promissory Note is \$85,000.00.

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 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 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 APRIL 8, 2003.

GRANTOR:

X William E. Castle
William E. Castle, Individually

X Susan K. Castle
Susan K. Castle, Individually

LENDER:

X [Signature]
Authorized Signer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath

)
) SS
)



On this day before me, the undersigned Notary Public, personally appeared William E. Castle and Susan K. Castle, to me known to be the individuals described in and who executed the Modification of Mortgage, 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 8th day of April, 2003.

By [Signature] Residing at Klamath Falls, Oregon 97601
Notary Public in and for the State of OREGON My commission expires 5/11/2006

MODIFICATION OF MORTGAGE
(Continued)

23560

Page 2

LENDER ACKNOWLEDGMENT

STATE OF Oregon

)

) SS

COUNTY OF Klamath

)



On this 8th day of April, 20 03, before me, the undersigned Notary Public, personally appeared David Huckins 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]

Residing at Klamath Falls, Oregon 97601

Notary Public in and for the State of OREGON

My commission expires 5/11/2006

EXHIBIT "A"

A portion of lot 30, Block 2, Tract No. 1099, ROLLING HILLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, being more particularly described as follows:

Beginning at the Southwest corner of said Lot 30, Block 2; thence North 00 degrees 23' 04" East, along the West line of said Lot 30 a distance of 8.00 feet; thence South 84 degrees 07' 34" East, a distance of 84.01 feet to a point on the South line of said Lot 30; thence North 89 degrees 36' 56" West, along the South line of said Lot 30 a distance of 83.63 feet to the point of beginning.

Lot 29, Block 2, Tract 1099, ROLLING HILLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

EXCEPT a portion of Lot 29, Block 2, Tract No. 1099 ROLLING HILLS, Klamath County, Oregon. Being more particularly described as follows:

Beginning at the Northeast corner of said Lot 29, Block 2; thence Southwesterly along the Easterly line of said Lot 29, along the Arc of a 54.81 degree curve to the right a distance of 8.00 feet; thence North 84 degrees 07' 34" West, a distance of 81.52 feet to a point on the North line of said Lot 29; thence South 89 degrees 36' 56" East along the North line of said Lot 29 a distance of 82.76 feet to the point of beginning.

PARCEL 1

Lot 30, Block 2, Tract No. 1099, ROLLING HILLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, EXCEPTING THEREFROM the following:

Beginning at the Southwest corner of said Lot 30, Block 2; thence North 00 degrees 23' 04" East along the West line of said Lot 30 a distance of 8.00 feet; thence South 84 degrees 07' 34" East a distance of 84.01 feet to a point on the South line of said Lot 30; thence North 89 degrees 36' 56" West, along the South line of said Lot 30 a distance of 83.63 feet to the point of beginning.

PARCEL 2

A portion of Lot 29, Block 2, Tract No. 1099, ROLLING HILLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, being more particularly described as follows:

Beginning at the Northeast corner of said Lot 29, Block 2; thence Southwesterly along the Easterly line of said Lot 29, along the Arc of a 54.81 degree curve to the right a distance of 8.00 feet; thence North 84 degrees 07' 34" West a distance of 81.52 feet to a point on the North line of said Lot 29; thence South 89 degrees 36' 56" East along the North line of said Lot 29 a distance of 82.76 feet to the point of beginning.

William E Castle

Susan K Castle