

RECORDATION REQUESTED BY:

Klamath First Federal Savings & Loan Association
Main Office and Branch
540 Main Street
Klamath Falls, OR 97601

Vol M03 Page 89742

State of Oregon, County of Klamath
Recorded 12/09/03 9:25 a m
Vol M03 Pg 89742-45
Linda Smith, County Clerk
Fee \$ 36.00 # of Pgs 4

WHEN RECORDED MAIL TO:

Commercial Loan Service Center
714 Main Street
3rd Floor
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

WALTER P HAMMERICH
NANCY L HAMMERICH
3311 HASKINS RD
BONANZA, OR 97623

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated November 1, 2003, is made and executed between WALTER HAMMERICH AND NANCY HAMMERICH, AS TENANTS BY THE ENTIRETY, AS TO PARCEL 1; WALTER PAUL HAMMERICH AND NANCY LOUISE HAMMERICH, AS TENANTS BY THE ENTIRETY, AS TO PARCEL 2; WALTER P. HAMMERICH AND NANCY L. HAMMERICH, AS TENANTS BY THE ENTIRETY, AS TO PARCEL 3 ("Grantor") and Klamath First Federal Savings & Loan Association, Main Office and Branch, 540 Main Street, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated February 8, 2002 (the "Deed of Trust") which has been recorded in KLAMATH County, State of Oregon, as follows:

RECORDED ON MARCH 5, 2002 AS VOL M02, PAGE 13263.

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

See EXHIBIT "A" AND EXHIBIT "B", which is attached to this Modification and made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as 3311 HASKINS RD AND 29989 CASEBEER RD, BONANZA, OR 97623. The Real Property tax identification number is —

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

EXTENSION OF MATURITY DATE TO JUNE 2, 2012; CHANGE VESTING.

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 NOVEMBER 1, 2003.

GRANTOR:

X Walter P. Hammerich
WALTER P HAMMERICH, Individually

X Nancy L. Hammerich
NANCY L HAMMERICH, Individually

LENDER:

X Angela M Barry
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath

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) SS
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On this day before me, the undersigned Notary Public, personally appeared WALTER P HAMMERICH and NANCY L HAMMERICH, 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.

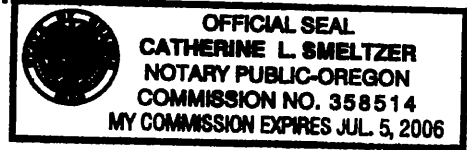
Given under my hand and official seal this 3rd day of December, 2003.

By Danise Brakeman
Notary Public in and for the State of Oregon

Residing at 2880 Carroll Ave. Bonanza
My commission expires 10-22-04



LENDER ACKNOWLEDGMENT



STATE OF Oregon
COUNTY OF Klamath

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) SS
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On this 5th day of December, 20 03, before me, the undersigned Notary Public, personally appeared Angela M. Barry 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, 2006

The following described real property situate in Klamath County, Oregon:

That portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5, Township 39 South, Range 11 East of the Willamette Meridian, lying Southerly and Westerly of the Dairy-Bonanza Highway as said highway now appears on the ground. EXCEPTING a tract of land situated in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 5, T. 39 S. R. 11 E.W.M., Klamath County, Oregon, more particularly described as follows: Beginning at a 5/8 inch iron pin on the southwesterly right of way line of the Dairy-Bonanza Highway, said point being N 43°48'19" E a distance of 2158.79 feet from the southwest corner of said Section 5; thence S 32°11'38" W 178.21 feet to a 5/8 inch iron pin; thence N 58°52'04" W 109 feet, more or less, to the west line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 5; thence northerly along the west line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 5, 217.3 feet, more or less, to the southwesterly right of way line of said Dairy-Bonanza Highway; thence S 56°59'00" E along said right of way line 225.5 feet, more or less, to the point of beginning, containing 0.69 acres, more or less, with the bearings based on a solar observation.

Also that portion of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 5, and that portion of the N $\frac{1}{2}$ NE $\frac{1}{4}$ Section 8, Township 39 South, Range 11 East of the Willamette Meridian lying Southerly of the Dairy-Bonanza Highway, EXCEPTING a tract conveyed to W. H. Casebeer by Deed recorded on page 620, of Volume 93, Klamath County Deed records and more particularly described as follows: That portion of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 8 described as follows: Beginning 886 feet South of the corner common to Sections 4, 5, 8 and 9 in the middle of the Dairy-Bonanza Highway; thence South 454 feet; thence West 660 feet; thence North 885 feet to the middle of said highway; thence South 56°52' East 789 feet to the place of beginning.

Also the E $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 8, Township 39 South, Range 11 East of the Willamette Meridian.

Also all that portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 8, Township 39 South, Range 11 East of the Willamette Meridian, lying Northerly from the center line of the Old Bonanza-Klamath Falls Road.

The SE $\frac{1}{4}$ SW $\frac{1}{4}$, and SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 33, Township 38 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

Lots 2, 3, 4 and SW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ and W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 4; the N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ and NW $\frac{1}{4}$ of Section 9, excepting right of way conveyed to Horsefly Irrigation District, by deed recorded at page 218 of Volume 49 of Deeds, and right of way conveyed to Klamath County, Oregon, by deed recorded on page 83 of Volume 64 of Deeds, said Sections 4 and 9 being in Township 39 south, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

Beginning at the point of intersection of the East and West center line of Section 9, Township 39 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon with the Northeasterly boundary line of the right of way of the Dairy-Bonanza Highway as the same is now located and constructed; thence North 89°50' East along the said East West center line of said Section 9, 384.50 feet; thence Southerly and parallel with the Easterly boundary of said Section 9, 249.2 feet, more or less, to a point in the Northeasterly boundary line of said right of way of the Dairy-Bonanza Highway; thence Northwesterly along said right of way line to the point of beginning, and also

Beginning at a point in the East and West center line of Section 9, Township 39 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, from which the point of intersection of the said East and West center line of Section 9 with the Northeasterly boundary line of the right of way of the Dairy-Bonanza Highway as the same is now located and constructed bears South 89°50' West 384.5 feet distant and running thence Southerly and parallel with the Easterly boundary of the said Section 9, 249.2 feet, more or less to a point in the Northeasterly boundary line of the right of way of the Dairy-Bonanza Highway; thence Southeasterly along said right of way line 849.3 feet, more or less, to its intersection with the West line of Bowne Ave., (now vacated) of Bowne Addition to Bonanza, Oregon, the plat whereof is on file in the record in the office of the County Clerk of Klamath County, Oregon; thence North along the said West line of Bowne Ave. (now vacated) 711.8 feet, more or less, to its intersection with the said East and West center line of the said Section 9; thence South 89°50' West 713.6 feet, along the said East and West center line to the point of beginning.

A tract of land in the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 8, Township 39 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the East line of said NE $\frac{1}{4}$, said point being North a distance of 239 feet from the Southeast corner thereof; thence Northwest, in a straight line to a point on the North line of the SE $\frac{1}{4}$ NE $\frac{1}{4}$, said point being West a distance of 660 feet from the Northeast corner thereof; thence North a distance of 885 feet to the center line of the Dairy-Bonanza Highway; thence South 56°52' East, along said center line, a distance of 789 feet to a point on the East line of said NE $\frac{1}{4}$, said point being South a distance of 886 feet from the Northeast corner of Section 8; thence South on said East line a distance of 1535 feet more or less to the point of beginning.

The SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9, Township 39 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon

EXCEPTING that tract of land conveyed to Klamath County School District by instrument recorded January 17, 1969 in Volume M69, page 455, Deed records of Klamath County, Oregon, described as follows: Beginning at a 5/8" X 30" iron pin with cap marking the East one-fourth corner of said Section 9 as shown on the Bowne Addition to Bonanza subdivision plat; thence North 00°13'25" West along the East line of said Section 9 a distance of 113.25 feet to a 5/8" x 30" iron pin with cap; thence North 89°40'10" West along the Easterly extension of and along the Southerly edge of an existing fence a distance of 261.45 feet to a 5/8" x 30" iron pin with cap which is 1.5 feet Southeasterly of an existing fence corner; thence South 40°48'40" West along the Easterly edge of an existing fence a distance of 152.00 feet to an "x" in the bottom of a concrete irrigation box which is four feet Southeasterly of an existing fence corner; thence South 01°35'10" East a distance of 41.91 feet to a 5/8" x 30" iron pin with cap on the centerline of vacated Klamath Street; thence South 89°51'10" East along the centerline of vacated Klamath Street a distance of 360.00 feet to a 5/8" x 30" iron pin with cap on the centerline of Carroll Avenue; thence North 00°04'35" East along the centerline of Carroll Avenue a distance of 43.10 feet to the point of beginning, EXCEPTING the unvacated portion of Carroll Avenue as shown on the Grandview Addition to Bonanza subdivision plat.

ALSO EXCEPTING that portion conveyed to Patrick W. Kelly and Cynthia A. Kelly, by deed recorded November 14, 1996 in Volume M96, page 35865, Deed records of Klamath County, Oregon, more particularly described as follows: A tract of land situated in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 9, Township 39 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: Beginning at a point on the North line of that tract of land conveyed to Klamath County School District described in Volume M69 on page 455 of the Klamath County Deed Records and the West line of Carroll Avenue, from which the East $\frac{1}{4}$ corner of said Section 9 bears S. 14°46'22" E. 117.30 feet; thence N. 89°40'10" W. along the North line of said tract of land, 122.44 feet; thence N. 02°01'13" E. along the fence line, 212.21 feet; thence S. 74°39'31" E. along the fence line, 119.41 feet, to the West line of Carroll Avenue; thence S. 00°03'44" W. 181.19 feet to the point of beginning, containing 23,420 square feet, with bearings based on record of Survey No. 1327.

Description of Property**Parcel One:**

Township 38 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon

Section 28: SW $\frac{1}{4}$ NE $\frac{1}{4}$; S $\frac{1}{2}$ NW $\frac{1}{4}$; SW $\frac{1}{4}$; W $\frac{1}{2}$ SE $\frac{1}{4}$; SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Section 32: E $\frac{1}{2}$ NE $\frac{1}{4}$; NE $\frac{1}{4}$ SE $\frac{1}{4}$;
Section 33: N $\frac{1}{2}$; N $\frac{1}{2}$ S $\frac{1}{2}$; SW $\frac{1}{4}$ SW $\frac{1}{4}$; SE $\frac{1}{4}$ SE $\frac{1}{4}$;
Section 34: W $\frac{1}{2}$ W $\frac{1}{2}$;

Parcel Two:

Township 38 South, Range 11 East of the Willamette Meridian, in the County of Klamath, State of Oregon

Section 19: SW $\frac{1}{4}$ SE $\frac{1}{4}$

Section 30: W $\frac{1}{2}$ NE $\frac{1}{4}$; also that portion of the NW $\frac{1}{4}$ SE $\frac{1}{4}$ lying North of the following described line:

Beginning at a point on the centerline of Haskins Road, being accepted as the West line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$, said point being North 00°39'36" East 2184.0 feet from the South Quarter Corner of said Section 30, said quarter corner being marked by a PK nail 29.00 feet West of a 1" iron pipe as per survey No. 1713 and Major Land Partition No. 3-88; thence East 1320 feet, more or less, to a point on the East line of said NW $\frac{1}{4}$ SE $\frac{1}{4}$ with bearings based on said Survey No. 1713.