

04 MAY 17 PM 3:13

NTC-61063UV

Vol M04 Page 30511

RECORDATION REQUESTED BY:

Umpqua Bank
PO Box 1140
Coos Bay OR 97420
Attn: Cindy Jorgensen

WHEN RECORDED MAIL TO:

Umpqua Bank
PO Box 1140
Coos Bay OR 97420
Attn: Cindy Jorgensen

SEND TAX NOTICES TO:

JOHN T GAREE
JANN GAREE
3020 VALE RD
KLAMATH FALLS, OR 97603-9485

State of Oregon, County of Klamath
Recorded 05/17/2004 3:13 PM
Vol M04 Pg 30511-30513
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 3

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF MORTGAGE

THIS MODIFICATION OF MORTGAGE dated April 19, 2004, is made and executed between JOHN T GAREE, whose address is 3020 VALE ROAD, KLAMATH FALLS, OR 97603 and JANN GAREE, as tenants by the entirety, whose address is 3020 VALE ROAD, KLAMATH FALLS, OR 97603 (referred to below as "Grantor") and Umpqua Bank, whose address is PO BOX 1820, 445 SE MAIN St, Roseburg, OR 97470 (referred to below as "Lender").

MORTGAGE. Lender and Grantor have entered into a Mortgage dated July 3, 2003 (the "Mortgage") which has been recorded in KLAMATH County, State of Oregon, as follows:

DATED JULY 3, 2003 AND RECORDED JULY 11, 2003 IN VOLUME M03 PAGE 48535 OF THE RECORDS OF KLAMATH COUNTY, 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 3020 VALE ROAD, KLAMATH FALLS, OR 97603.

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

EXTEND MATURITY DATE FROM APRIL 9, 2004 TO JUNE 9, 2004.

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.

ATTORNEY FEES AND EXPENSES. The undersigned agrees to pay on demand all of Lender's costs and expenses, including Lender's attorney fees and legal expenses, incurred in connection with enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement. Lender may also use attorneys who are salaried employees of Lender to enforce this Agreement. The undersigned shall pay all costs and expenses of all such enforcement. In the event arbitration, suit, action or other legal proceeding is brought to interpret or enforce this Agreement, the undersigned agrees to pay all additional sums as the arbitrator or court may adjudge reasonable as Lender's costs, disbursements, and attorney fees at hearing, trial, and on any and all appeals. As used in this paragraph "Agreement" means the loan agreement, promissory note, guaranty, security agreement, or other agreement, document, or instrument in which this paragraph is found, even if this document is also described by another name. Whether or not an arbitration or court action is filed, all reasonable attorney fees and expenses Lender incurs in protecting its interests and/or enforcing this Agreement shall become part of the indebtedness evidenced or secured by this Agreement, shall bear interest at the highest applicable rate under the promissory note or credit agreement, and shall be paid to Lender by the other party or parties signing this Agreement on demand. The attorney fees and expenses covered by this paragraph include without limitation all of Lender's attorney fees (including the fees charged by Lender's in-house attorneys, calculated at hourly rates charged by attorneys in private practice with comparable skill and experience), Lender's fees and expenses for bankruptcy proceedings (including efforts to modify, vacate, or obtain relief from any automatic stay), fees and expenses for Lender's post-judgment collection activities, Lender's cost of searching lien records, searching public record databases, on-line computer legal research, title reports, surveyor reports, appraisal reports, collateral inspection reports, title insurance, and bonds issued to protect Lender's collateral, all to the fullest extent allowed by law.

VENUE. The loan transaction that is evidenced by this Agreement has been applied for, considered, approved and made in the State of Oregon. If there is a lawsuit relating to this Agreement, the undersigned shall, at Lender's request, submit to the jurisdiction of the courts of Lane, Douglas or Washington County, Oregon, as selected by Lender, in its sole discretion, except and only to the extent of procedural matters related to Lender's perfection and enforcement of its rights and remedies against the collateral for the loan, if the law requires that such a suit be brought in another jurisdiction. As used in this paragraph, the term "Agreement" means the promissory note, guaranty, security agreement or other agreement, document or instrument in which this paragraph is found, even if this document is described by another name, as well.

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 19, 2004.

3/00

GRANTOR:

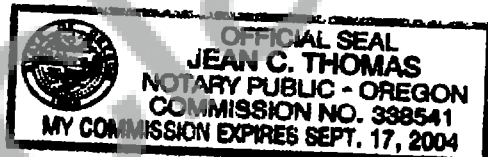
X JOHN T GAREEX JANN GAREE

LENDER:

UMPQUA BANK

X Cindy Lee Jorgensen
Authorized Signer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF OregonCOUNTY OF Klamath

On this day before me, the undersigned Notary Public, personally appeared JOHN T GAREE and JANN GAREE, 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 28th day of April, 2004.By Jean C. Thomas Residing at 170 S. 2nd St. Ste 201, Coos Bay, OR 97603
Notary Public in and for the State of Oregon My commission expires 9-17-04

LENDER ACKNOWLEDGMENT

STATE OF OREGONCOUNTY OF COOS

On this 19th day of April, 2004, before me, the undersigned Notary Public, personally appeared Cindy Lee Jorgensen and known to me to be the Construction Project 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.

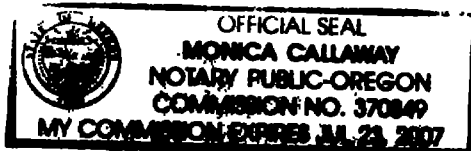
By Monica Callaway Residing at 170 S. 2nd St. Ste 201, Coos Bay, OR 97603
Notary Public in and for the State of Oregon My commission expires 07/23/07

EXHIBIT "A"
LEGAL DESCRIPTION

A tract of land in Lot 2, "PLAT OF JUNCTION ACRES," according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, situated in the SW 1/4 SE 1/4 of Section 6 and the NW 1/4 NE 1/4 of Section 7, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the Southwest corner of Parcel 1, of said land Partition, from which the E1/16 corner on the North line of said Section 7 bears North 46 degrees 57' 28" East 639.56 feet; thence South 89 degrees 54' 00" West 472.27 feet to the Southwest corner of said Lot 2, thence North 00 degrees 01' 00" West 440.50 feet to the Northwest corner of said Lot 2; thence North 88 degrees 51' 00" East along the North line of said Lot 2, 460.89 feet to the Northwest corner of Parcel 1; thence South 16 degrees 56' 00" West 189.09 feet; thence South 14 degrees 01' 33" West 152.02 feet; thence South 40 degrees 39' 30" East 158.90 feet to the point of beginning with bearings based on recorded survey N. 4824.

Together with the following described parcel:

A tract of land being a portion of Parcel 1 of "Minor Land Partition 7-89" situated in the NW1/4 NE1/4 of Section 7, Township 39 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a point on the line common to said Parcels 1 and 2 from which the East 1/16 corner common to Section 6 and said Section 7 bears North 57 degrees 44' 35" East 645.94 feet; thence along the line common to said Parcels 1 and 2, North 40 degrees 39' 30" West 37.92 feet, North 14 degrees 01' 33" East 152.02 feet, and North 16 degrees 56' 00" East 71.99 feet; thence leaving said common line South 64 degrees 59' 00" East 26.94 feet; thence South 13 degrees 49' 33" West 240.70 feet to the point of beginning.