

05 APR 20 PM 11:20

MTT-1390 - 0826

Vol M05 Page 27749

RECORDATION REQUESTED BY:

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

State of Oregon, County of Klamath
Recorded 04/20/2005 11:20 a m
Vol M05 Pg 27749-50
Linda Smith, County Clerk
Fee \$ 5.00 # of Pgs 2

WHEN RECORDED MAIL TO:

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

attn: Cindy

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

MODIFICATION OF DEED OF TRUST



THIS MODIFICATION OF DEED OF TRUST dated April 14, 2005, is made and executed between between Leo F. McKoen, whose address is P O Box 195, Merrill, OR 97633-0195 ("Grantor") and South Valley Bank & Trust, whose address is 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 13, 2000 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Line of Credit Instrument dated April 13, 200, recorded June 22, 2000 in Volume M00, Page 22773 in records of Klamth County, Oregon, Modified June 26, 2001 and recorded July 9, 2001 in volume M01, Page 33137 in records of Klamath county, Oregon, Modified January 30, 2002 and recorded February 5, 2002 in Volume M02, Page 6969-71 in records of Klamath County, Oregon, Modified April 30, 2002 and recorded May 15, 2002 in Volume M02, Page 29101 in records of Klamath County, Oregon, Modified December 2, 2002 and recorded December 31, 2002 in Volume M02, Page 76658-59 in records of Klamath County, Oregon, Modified March 27, 2003 and recorded May 9, 2003 in Volume M03, Page 31053.54 in records of Klamath county, Oregon.

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

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

The Real Property or its address is commonly known as Merrill, OR 97633. The Real Property tax identification number is 4111-01600-01501-000

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

Extend maturity date to March 1, 2006, Increase Line of Credit amount to \$1,149,242.00 and change Maximum Outstanding Balance to \$660,000.00.

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 APRIL 14, 2005.

GRANTOR:

x *Leo F. McKoen*
Leo F. McKoen

LENDER:

SOUTH VALLEY BANK & TRUST

x *Corey Duce*
Authorized Officer

AMERITITLE has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

2600 Am
+2500



MODIFICATION OF DEED OF TRUST
(Continued)

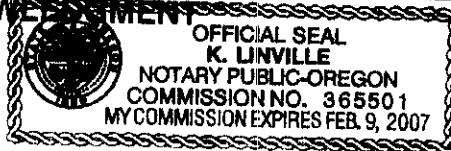
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INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Clatsop

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) SS
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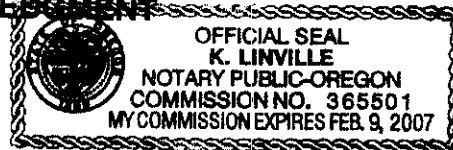
On this day before me, the undersigned Notary Public, personally appeared Leo F. McKean, to me known to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 14 day of April, 2005,
K. Linville
Notary Public in and for the State of Oregon Residing at Clatsop Falls, Or
My commission expires 2-9-07

LENDER ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Clatsop

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) SS
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On this 14 day of April, 2005, before me, the undersigned Notary Public, personally appeared Core Price and known to me to be the Commercial Bank, 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 K. Linville
Notary Public in and for the State of Oregon Residing at Clatsop Falls, Or
My commission expires 2-9-07