

RECORDATION REQUESTED BY:

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

M05-63561

Klamath County, Oregon

09/06/2005 10:26:33 AM

Pages 3 Fee: \$31.00

WHEN RECORDED MAIL TO:

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

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 August 10, 2005, is made and executed between between Jerry O. Anderson and Elizabeth A. Anderson, Trustee under Anderson Loving Trust dated October 16, 1990 ("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 August 25, 2004 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded on August 27, 2004, in the Office of the Klamath County Clerk, in Volume M04 Page 56917-923.

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

See Exhibit A, 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 Patterson Street, Klamath Falls, OR 97603.

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

Revise the maturity date and the advance formula to allow for the advance of \$200,000.00.

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 AUGUST 10, 2005.

GRANTOR:

X Jerry O. Anderson  
Jerry O. Anderson

X Elizabeth A. Anderson  
Elizabeth A. Anderson

LENDER:

SOUTH VALLEY BANK & TRUST

X Jeffrey S. Bradford  
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.

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath

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On this day before me, the undersigned Notary Public, personally appeared Jerry O. Anderson and Elizabeth A. Anderson, 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 13

day of August, 2005

By K. Linville

Residing at Klamath Falls

Notary Public in and for the State of Oregon

My commission expires 2-9-07



MODIFICATION OF DEED OF TRUST  
(Continued)

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LENDER ACKNOWLEDGMENT

STATE OF Oregon

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COUNTY OF Wasco

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On this 12 day of August, 20 05, before me, the undersigned Notary Public, personally appeared Jeffrey S. Bradford and known to me to be the Vice President, 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.

K. Linville  
Notary Public in and for the State of Oregon

Residing at Wasco Falls  
My commission expires 2-9-07

Exhibit A

PARCEL 1:

The following described property in the County of Klamath, State of Oregon, described as follows:

Beginning at an iron pin which is 30 feet North and 30 feet East of a brass plug marking the intersection of the centerline of the Klamath Falls-Lakeview Highway and a county road to the North and South along the section line between Sections 1 and 2, Township 39 South, Range 9 East of the Willamette Meridian; thence East 1320.0 feet to an iron pipe marking the East boundary of a North-South County Road (Patterson Street) and the South boundary of a county road (Simmers Avenue) to the East; thence along the South boundary of said county road to the East, North 88° 55' East, 330.0 feet to a point; thence leaving said county road boundary, North 0° 03' East 370 feet to an iron pipe which is the true point of beginning; thence parallel to and 370.0 feet from said Southerly boundary of Easterly county road North 88° 55' East 706.95 feet to an iron pipe; thence North 0° 03' East 97.6 feet to an iron pipe; thence North 0° 03' East 42.0 feet to the centerline of the Enterprise Irrigation District Canal; thence Northerly along the centerline of said Enterprise Irrigation District Canal North 27° 25' West 53.8 feet to a point; thence North 12° 16' West 186.9 feet to a point; thence North 33° 55 1/2' West 34.2 feet to a point; thence North 63° 21' West 29.2 feet to a point; thence North 34° 53' West 42.7 feet to a point; thence North 10° 24' West 182.8 feet to a point; thence North 21° 41 1/2' West 76.3 feet to a point; thence North 47° 21 1/2' West 12.5 feet to a point; thence leaving said centerline of said canal, North 0° 03' East 40.0 feet to an iron pin; thence North 0° 03' East 193.8 feet to an iron pipe on the North boundary of the SE 1/4 NW 1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian; thence along the Northerly boundary of said SE 1/4 NW 1/4, South 88° 47' West 502.0 feet to an iron pipe, from which an iron pipe marking the 1/16th corner and the centerline of a North-South county road bears South 88° 47' West 360.0 feet; thence leaving said North boundary South 0° 03' West on a line parallel to and 360.0 feet from the Easterly boundary of the said North-South county road a distance of 941.2 feet, more or less, to the true point of beginning, being entirely within the SE 1/4 NW 1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian.

EXCEPT any portion thereof lying within the Plat of Pleasant Vista, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.

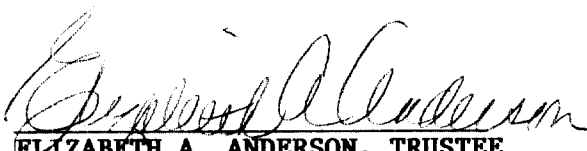
PARCEL 2:

Beginning at an iron pin which is 30 feet North and 30 feet East of a brass plug marking the intersection of the centerline of the Klamath Falls-Lakeview Highway and county road to the North and South along the section line between Sections 1 and 2, Township 39 South, Range 9 East of the Willamette Meridian; thence East 1320.0 feet to an iron pipe marking the East boundary of a North-South county road (Patterson Street) and the South boundary of a county road (Simmers Avenue) to the East; thence along the South boundary of said county road to the East, North 88° 55' East 1037.0 feet to a point; thence North 0° 03' East 791.1 feet to an iron pipe which is the true point of beginning of this description; thence South 88° 55' West 95.0 feet to an iron pipe; thence South 88° 55' West 20.3 feet to a point on the centerline of the Enterprise Irrigation District Canal; thence along the said centerline of said canal, South 34° 53' East 9.3 feet; thence South 63° 21' East 29.2 feet; thence South 33° 55 1/2' East 34.2 feet; thence South 12° 16' East 186.9 feet; thence South 27° 25' East, 53.8 feet to a point; thence leaving the centerline of the Enterprise Irrigation District Canal, North 0° 03' East 281.5 feet, more or less, to the true point of beginning and lying in the SE 1/4 NW 1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 3:

Lots 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25 and Tract 1304, PLEASANT VISTA, according to the official plat thereof, on file with the County Clerk, Records of Klamath County, Oregon.

  
JERRY O. ANDERSON, TRUSTEE  
OF ANDERSON LOVING TRUST UTA DATED OCTOBER 16, 1990

  
ELIZABETH A. ANDERSON, TRUSTEE  
OF ANDERSON LOVING TRUST UTA DATED  
OCTOBER 16, 1990