

mtc- 51879

M06-04371

Klamath County, Oregon

03/10/2006 10:40:18 AM

Pages 3 Fee: \$36.00

**RECORDATION REQUESTED BY:**

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

**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 March 3, 2006, is made and executed between between S & P Investments, L.L.C., an Oregon Limited Liability Company ("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 October 7, 2002 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

recorded on October 7, 2002 in Volume M02 on page 57248, rerecorded on October 18, 2002 in Volume M02 on page 59628-34 at the Klamath County Recorder's Office in Klamath County, Oregon.

**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 824 Pine Street, Klamath Falls, OR 97601. The Real Property tax identification number is 3809-032AA-09000-000 and 3809-032AA-09100-000.

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

Principal increase amount by \$200,000.00, payment restructure, maturity date of October 1, 2022 remains the same .

**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.

**DUE ON SALE-CONSENT BY LENDER.** Due On Sale-Consent By Lender. Lender may, at lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all and any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Oregon law.

**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 MARCH 3, 2006.**

**GRANTOR:**

**S & P INVESTMENTS, L.L.C.**

By: Terrence J. Scroggin  
Terrence J. Scroggin, Member of S & P Investments, L.L.C.

By: Andrew E. Peterson  
Andrew E. Peterson, Member of S & P Investments, L.L.C.

**LENDER:**

**SOUTH VALLEY BANK & TRUST**

x Chuck Farnham  
Authorized Officer

3/10  
7500

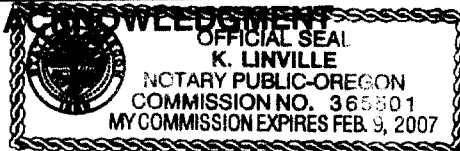


MODIFICATION OF DEED OF TRUST  
(Continued)

Page 2

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Oregon )  
 ) SS  
COUNTY OF Sanath )



On this 3 day of March, 2006, before me, the undersigned Notary Public, personally appeared **Terrence J. Scroggin, Member; Andrew E. Peterson, Member of S & P Investments, L.L.C.**, and known to me to be members or designated agents of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

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

Residing at Sanath Falls, OR  
My commission expires 2-9-07

LENDER ACKNOWLEDGMENT

STATE OF Oregon )  
 ) SS  
COUNTY OF Sanath )



On this 3 day of March, 2006, before me, the undersigned Notary Public, personally appeared Commercial Loan Officer and known to me to be the Chuck Paulsen, 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 Sanath Falls, OR  
My commission expires 2-9-07

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

**PARCEL 1:**

Lots 7 and 8, Block 13, ORIGINAL TOWN OF LINKVILLE, now City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. EXCEPTING the Southeasterly 8 feet thereof heretofore deeded to the City of Klamath Falls, for alley purposes.

**PARCEL 2:**

All that portion of Lots 5 and 6 in Block 13 of ORIGINAL TOWN OF LINKVILLE, now City of Klamath Falls, Klamath County, Oregon, more particularly described as follows:

Beginning at the most Westerly corner of Lot 5 in Block 13 of said addition, being at the intersection of the Southeasterly line of Pine Street and the Northeasterly line of Eighth Street;

Thence, Southeasterly along the Northeasterly line of Eighth Street, 75 feet;

Thence, Northeasterly at right angles to Eighth Street, 130 feet to a line between Lots 6 and 7 in said Block 13;

Thence, Northwesterly on said line, 75 feet to Pine Street;

Thence, Southwesterly on Pine Street, 130 feet to the point of beginning.

EXCEPTING THEREFROM the following described property:

Beginning at the most Westerly corner of said Lot 5 in Block 13 of Original Town of Linkville, now City of Klamath Falls, Oregon, being the intersection of the Southeasterly line of Pine Street and the Northeasterly line of Eighth Street; thence, South 50° 55' East along the Northeasterly line of Eighth Street; a distance of 45.01 feet to an "X" set in a concrete sidewalk and the True Point of Beginning of this description.

Thence, North 38° 33' East and along the Southeasterly edge of a concrete curb, a distance of 67.10 feet to the interior corner of said curb;

Thence, South 52° 07' East along the Southwesterly edge of a concrete curb and said curb line extended, a distance of 30.62 feet the Northwesterly line of that property described in Deed recorded in Volume 107 at page 606 of Klamath County, Oregon Deed Records;

Thence, South 39° 05' West along the Northwesterly line of said property, a distance of 67.74 feet to an "X" set in a concrete sidewalk on the Northeasterly line of Eighth Street;

Thence, North 50° 55' West along the Northeasterly line of Eighth Street, a distance of 29.99 feet to the True Point of Beginning of this description.

*Terena J. Hagg*

*And E. Pitt*