

RECORDATION REQUESTED BY:

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

2006-018074

Klamath County, Oregon



09/07/2006 03:36:59 PM

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

MTCTW404

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST



THIS MODIFICATION OF DEED OF TRUST dated August 30, 2006, is made and executed between between JOSEPH L. BRADLEY, SR. AND SARAH BRADLEY, AS TENANTS BY THE ENTIRETY ("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 July 26, 1999 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

recorded on August 4, 1999 in Volume M99 on page 31174 in the Klamath County Recorder's Office, State of 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 2001 & 2013 South 6th Street, Klamath Falls, OR 97601. The Real Property tax identification number is 3809-33DC-5900-000 & 3809-033DC-06000-000.

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

Principal increase of term loan, added collateral of Lot 9 in real property description, add Assignment of Rents, payment and rate restructure and extend maturity date to September 5, 2011.

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 endorser 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 on 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 AUGUST 30, 2006.

GRANTOR:

x
Joseph L. Bradley, Sr.

x
Sarah S. Bradley

LENDER:

SOUTH VALLEY BANK & TRUST

x
Authorized Officer

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MODIFICATION OF DEED OF TRUST
(Continued)

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INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Lincoln

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) SS
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On this day before me, the undersigned Notary Public, personally appeared **Joseph L. Bradley, Sr. and Sarah S. Bradley**, 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 30 day of August, 2006
By K. Linville Residing at Lincoln Falls
Notary Public in and for the State of Oregon My commission expires 2-9-07

LENDER ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Lincoln

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) SS
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On this 30 day of August, 2006, before me, the undersigned Notary Public, personally appeared Chuck Paulsen and known to me to be the Commercial Loan 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 K. Linville Residing at Lincoln Falls
Notary Public in and for the State of Oregon My commission expires 2-9-07

EXHIBIT "A"
LEGAL DESCRIPTION

Lots 10 and 11 in Block 203 of MILLS ADDITION to the City of Klamath Falls, County of Klamath, State of Oregon. SAVING AND EXCEPTING THEREFROM that portion conveyed to the State of Oregon by and through its State Highway Commission, by deed dated November 1, 1943, recorded November 10, 1943 in Volume 159, page 542, Deed Records of Klamath County, Oregon.

ALSO Lot 9, Block 203 MILLS SECOND ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, LESS portion theretofore conveyed to State of Oregon for highway purposes.

AND LESS a portion of Lot 9, Block 203, reserved for an alley right of way, more particularly described as follows:

Commencing at the intersection of the Northeasterly right of way line of South 6th Street, as conveyed to the State of Oregon in 1946, and the Northerly line of said Lot 9; thence South 89° 51' 21" East 4.36 feet to the True Point of Beginning; thence along the said Northerly line of Lot 9, South 89° 51' 21" East 49.35 feet; thence South 33° 19' 56" West, 27.01 feet; thence North 56° 40' 04" West, 41.30 feet to the point of beginning.

AND LESS a portion of Lot 9, Block 203, reserved for street right of way, more particularly described as follows:

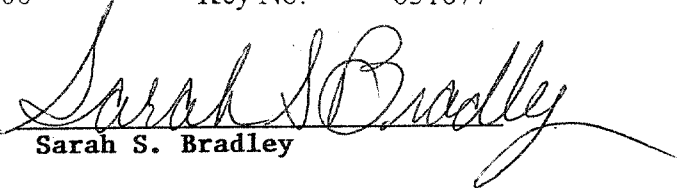
A parcel of land situated in the SW1/4 SE1/4 of Section 33, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being a portion of Lot 9, Block 203 of MILLS SECOND ADDITION to the City of Klamath Falls as recorded at the Klamath County Clerks office, being more particularly described as follows:

Beginning at the intersection of the Northeasterly right of way line of South 6th Street, as conveyed to the State of Oregon in 1946, and the Northerly line of said Lot 9; thence South 89° 51' 21" East 4.36 feet; thence leaving said Northerly line, South 56° 40' 04" East, 105.96 feet to the Easterly line of said Lot 9; thence along said Easterly line, South 00° 06' 37" West, 6.79 feet to said Northeasterly right of way line; thence along said Northeasterly right of way line, North 55° 00' 03" West, 113.38 feet to the point of beginning.

Tax Account No: 3809-033DC-06000-000
Tax Account No: 3809-033DC-05900-000

Key No: 631686
Key No: 631677


Joseph L. Bradley, Sr.


Sarah S. Bradley