

2006-022451

Klamath County, Oregon



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11/09/2006 11:27:19 AM

Fee: \$26.00

RECORDATION REQUESTED BY:

PremierWest Bank
Klamath Falls Branch
421 South 7th Street
P. O. Box 5016
Klamath Falls, OR 97601

WHEN RECORDED MAIL TO:

PremierWest Bank
Klamath Falls Branch
421 South 7th Street
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

Frank Gallagher
101 Morris Street, Unit 205
Sebastopol, CA 95472

MTC13910-8242

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated November 7, 2006, is made and executed between between Frank Gallagher ("Grantor") and PremierWest Bank, whose address is Klamath Falls Branch, 421 South 7th Street, P. O. Box 5016, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated July 14, 2006 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Original Deed of Trust in the principal amount of \$300,000.00 recorded as Document No. M06-14441 on July 18, 2006 in the Official Records of Klamath County, State of Oregon, subsequently modified by a Modification of Deed of Trust dated October 13, 2006 in the amount of \$300,000.00.

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

Lots 93, 94 and 95, RUNNING Y RESORT, PHASE 1, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon

The Real Property or its address is commonly known as Lots 93, 94 & 95 of the 5200 Block, Running Y Road, Klamath Falls, OR 97601. The Real Property tax identification number is 3808-009C0-00300-000/ 3808-009C0-00500-00/ 3808-009C0-00600-000.

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

It is hereby agreed to increase the Note amount from \$300,000.00 to \$750,000.00 and extend the maturity date from January 15, 2007 to February 1, 2007.

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 NOVEMBER 7, 2006.

GRANTOR

X
Frank Gallagher

LENDER:

PREMIERWEST BANK

X
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

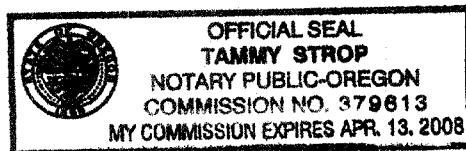
STATE OF

Oregon

COUNTY OF

Klamath

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On this day before me, the undersigned Notary Public, personally appeared Frank Gallagher, 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 8th day of November, 2006.

By
Notary Public in and for the State of Oregon

Residing at 421 S. 7th K Falls Oregon

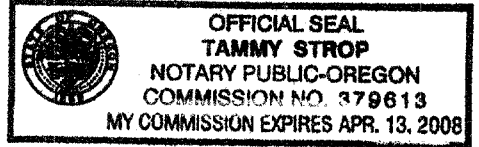
My commission expires April 13, 2008

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LENDER ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath

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On this 8th day of November, 20 06, before me, the undersigned Notary Public, personally appeared Gary Parker and known to me to be the Lending 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 Tammy Strop
Notary Public in and for the State of Oregon

Residing at 421 S. 7th St K Falls
My commission expires April 13, 2008