

RECORDATION REQUESTED BY:

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

2007-000255

Klamath County, Oregon



00012360200700002550020029

01/05/2007 03:24:27 PM

Fee: \$26.00

WHEN RECORDED MAIL TO:

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

SEND TAX NOTICES TO:

James F. Clough
PO Box U
Klamath Falls, OR 97601

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

1st-07-006

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated January 5, 2007, is made and executed between James F. Clough ("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 January 11, 2006 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Deed of Trust dated January 11, 2006 in the amount of \$93,500.00, recorded on January 18, 2006 as Document No. M06-01030 in the official 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:

Lots 7 through 12, inclusive, Block 10 and Lots 1 and 2, Block 11, CHELSEA 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.

TOGETHER WITH vacated Nungesser Avenue and Chelsea Street adjacent thereto.

SAVING AND EXCEPTING any portion located within U.S. Highway 97, Westside Bypass and Eastside Bypass.

The Real Property or its address is commonly known as Lots 7 through 12, inclusive, Block 10 and Lots 1 and 2, Block 11, Chelsea Addition, Klamath Falls, OR 97603. The Real Property tax identification number is 3809-019AA-01700-000 and 3809-019AA-01500-000.

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

It is hereby agreed to extend the maturity date to February 5, 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 endorers 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 JANUARY 5, 2007.

GRANTOR:

X James F. Clough
James F. Clough

First American Title Ins. Co. 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.

LENDER:

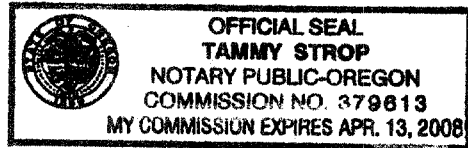
PREMIERWEST BANK

X [Signature]
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath

)
) SS
)



On this day before me, the undersigned Notary Public, personally appeared James F. Clough, 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 5th day of January, 2007.
By Tammy Strop Residing at 421 S. 7th Klamath Falls
Notary Public in and for the State of OREGON My commission expires April 13, 2008

26-F

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 593075231

Page 2

LENDER ACKNOWLEDGMENT

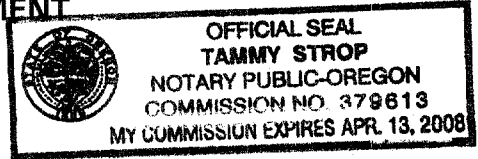
STATE OF Oregon

)

COUNTY OF Klamath

) SS

)



On this 5th day of January, 2007, before me, the undersigned Notary Public, personally appeared Lending Officer 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

Residing at 421 S 7th Klamath Falls OR

Notary Public in and for the State of Oregon

My commission expires April 13 2008