

MTT1396-8605

RECORDATION REQUESTED BY:

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

2007-007349

Klamath County, Oregon



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04/23/2007 03:40:01 PM

Fee: \$56.00

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 April 19, 2007, is made and executed between between Robert E. Bales and Netta Bales, 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 March 2, 2001 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded on March 8, 2001, in Volume M01 on page 9413, Modified on April 17, 2002, in Volume M02 on page 24537, Modified on April 10, 2003, recorded on April 14, 2003 in Volume M03 on page 23217, Modified on April 16, 2004, recorded on May 10, 2004 in Volume M04 on page 28325, Modified on April 22, 2005, recorded on April 26, 2005 in Volume M05 on page 29396, Modified on April 27, 2006, recorded May 2, 2006 in Volume M06 on page 08532, Modified on October 5, 2006, recorded on October 6, 2006 in 2006-0020155 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:

Lots 770 and 771 of Block 106, Mills 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.

The Real Property or its address is commonly known as 1033 East Main St, Klamath Falls, OR 97601.

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

Extend the maturity to April 15, 2008.


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.

CROSS-COLLATERALIZATION. In addition to the Note, this Agreement secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, absolute or contingent, liquidated or unliquidated and whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accomodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

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 APRIL 19, 2007.

GRANTOR:

X 
Robert E. Bales

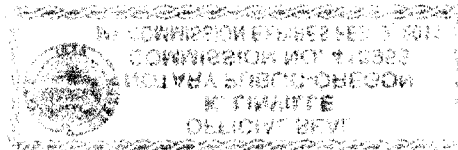
X 
Netta Bales

LENDER:

SOUTH VALLEY BANK & TRUST

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.



56



MODIFICATION OF DEED OF TRUST
(Continued)

Page 2

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Linn)

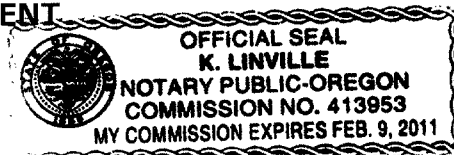


On this day before me, the undersigned Notary Public, personally appeared **Robert E. Bales and Netta Bales**, to me known to be the individuals described in and who executed the Modification of Deed of Trust, and acknowledged that they signed the Modification as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 19 day of April, 2007
By K. Linville Residing at Linn Falls
Notary Public in and for the State of Oregon My commission expires 2-9-11

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Linn)



On this 19 day of April, 2007, 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 Linn Falls
Notary Public in and for the State of Oregon My commission expires 2-9-11