

MTC 74435-SH

RECORDING COVER SHEET

THIS COVER SHEET HAS BEEN PREPARED BY THE
PERSON PRESENTING THE ATTACHED INSTRUMENT
FOR RECORDING. ANY ERRORS IN THIS COVER SHEET
DO NOT AFFECT THE TRANSACTION(S) CONTAINED
IN THE INSTRUMENT ITSELF.

2007-012532

Klamath County, Oregon



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07/13/2007 03:41:54 PM

Fee: \$26.00

After Recording Return To:

South Valley Bank & Trust
803 Main Street
Klamath Falls, Oregon 97601

Attn: Jenni Engelbrecht

1. Name(s) of the Transaction(s):

Modification of Mortgage of Trust Deed

2. Direct Party (Grantor):

Shepherd, Pamela

3. Indirect Party (Grantee):

South Valley Bank & Trust

4. True and Actual Consideration Paid:

N/A

5. Legal Description:

N/A

26

MODIFICATION OF MORTGAGE OR TRUST DEED

THIS AGREEMENT, made and entered into this 13 day of July, 2007 and between Pamela Shepherd hereinafter called the "Borrower(s)" and South Valley Bank & Trust, an Oregon Banking Corporation, hereinafter called the "Lender".

WITNESSETH: On or about the June 19, 2006, the Borrower(s) (or the original maker(s) if the Borrower is an assignee of record) did make, execute and deliver to the Lender that certain promissory note in the sum of \$441,175.00 payable in monthly installments with interest at the rate of 8.500% per annum. For the purpose of securing the payment of said promissory note, the Borrower(s) (or the original maker(s) if the Borrower(s) is an assignee of record) did make, execute and deliver to the Lender their certain Mortgage or Trust Deed, hereinafter called a "Security Instrument" bearing date of June 21, 2006, conveying the following described real property, situated in the County of Klamath State of Oregon to-wit:

Lot 11, Block 10 of BUENA VISTA 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 that portion of vacated Oregon Avenue lying adjacent to and Northerly of said lot by Order of Vacation recorded March 16, 1959 in Volume 310, page 496, Deed Records of Klamath County, Oregon.

which Security Instrument was duly recorded in the records of said county and state. Vol M06 Page 12830

There is now due and owing upon the promissory note aforesaid, the principal sum of Four-Hundred Forty-One Thousand One-Hundred Seventy-Five Dollars and 00/100 together with the accrued interest thereon, and the Borrower(s) desire a modification of the terms of payment thereof, to which the Lender is agreeable on the terms and conditions hereinafter stated and not otherwise.

NOW THEREFORE, in consideration of the premises and of the promises and agreements hereinafter contained, the parties hereto do hereby agree that the balance now due and owing on the promissory note hereinafter described shall be and is payable in monthly installments of interest only on disbursed construction funds, on the unpaid balance at the rate of 9.25% per annum. The first installment shall be and is payable on July 1, 2007, and a like installment shall be and is payable on the 1st day of each month thereafter until the principal and interest are fully paid, except that the final payment of principal and interest if not sooner paid, shall be due and payable January 1, 2008. If any of said installments or either principal or interest are not so paid, the entire balance then owing shall, at the option of the Lender or its successors in interest, become immediately due and payable without notice.

Except as herein modified in the manner and on the terms and conditions herein stated, the said promissory note and Security instrument shall be in full force and effect, with all the terms and conditions of which the Borrower(s) do agree to comply in the same manner and to the same extent as though the provisions thereof were in all respects incorporated herein and made a part of this agreement.

IN WITNESS WHEREOF, the Borrower(s) have hereunto set their hand (s) and seal (s) and the Lender has caused these presents to be executed on its behalf by its duly authorized representative this day and year first hereinabove written.

Pamela Shepherd
Pamela Shepherd

State of Oregon)
County of Klamath)

Personally appearing the above named Pamela Shepherd
acknowledge the foregoing instrument to be their voluntary act and deed. Before me on
July 13, 2007:

Notary Public for _____
My commission expires 6-26-08

South Valley Bank & Trust

By: Bridgitte Griffin-Smith
Bridgitte Griffin-Smith/VP Real Estate & Consumer Credit Manager

