

MTC 74981

RECORDATION REQUESTED BY:

PremierWest Bank
Redmond-Nolan Town Center
875 SW Rimrock Way, Suite 100
Redmond, OR 97756

2007-013731

Klamath County, Oregon



00028365200700137310020025

08/03/2007 11:52:58 AM

Fee: \$26.00

WHEN RECORDED MAIL TO:

PremierWest Bank
Redmond-Nolan Town Center
875 SW Rimrock Way, Suite 100
Redmond, OR 97756

SEND TAX NOTICES TO:

Donald N. Bauhofer
250 NW Franklin Avenue, Suite 204
Bend, OR 97701

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated July 25, 2007, is made and executed between Donald N. Bauhofer ("Grantor") and PremierWest Bank, whose address is Redmond-Nolan Town Center, 875 SW Rimrock Way, Suite 100, Redmond, OR 97756 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated June 13, 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 \$3,104,958.00 recorded as Document No. M06-12620 on June 20, 2006 in the Official Records of Klamath County, State of Oregon.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Klamath County, State of Oregon:
Lots 1300 through 1305, 1307, 1309 and 1310 Tract 1444, RUNNING Y RESORT PHASE 4, 4TH ADDITION, 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 1300 through 1305, 1307, 1309 and 1310 Tract 1444, Running Y Resort Phase 4, 4th Addition, Klamath Falls, OR 97601. The Real Property tax identification number is 3808-009D0-11000-000; 3808-009D0-10900-000; 3808-009D0-10800-000; 3808-009D0-10700-000; 3808-009D0-10600-000; 3808-009D0-10500-000; 3808-009D0-11500-000; 3808-009D0-11300-000 and 3808-009D0-11200-000.

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

It is hereby agreed to extend the maturity date from June 13, 2007 to June 13, 2008. Lots 1306, 1308 and 1311 have been released.

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.

PARTIAL RELEASE PROVISION. Lender shall execute a partial release of the lien on the Deed of Trust securing this loan upon the following conditions: Partial release for Lots 1300 through 1305, 1307, 1309 and 1310 shall be granted by Lender upon receipt of a principal reduction in the amount of \$258,747.00. Borrower agrees that accrued interest due under the terms of the Promissory Note will be paid current at the time such release is requested by Borrower, and, provided that the Borrower has not breached or otherwise defaulted under the terms of the loan.

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 JULY 25, 2007.

GRANTOR:


Donald N. Bauhofer

LENDER:

PREMIERWEST BANK

X 
Authorized Officer

26.00

MODIFICATION OF DEED OF TRUST
(Continued)

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INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Deschutes

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On this day before me, the undersigned Notary Public, personally appeared **Donald N. Bauhofer**, to me known to be the individual described in act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 26th day of July, 2007.

By Laura L. Lynn

Residing at Bend

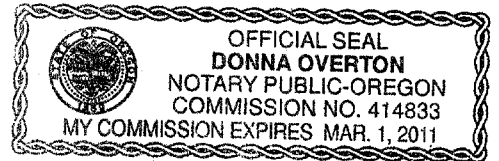
Notary Public in and for the State of Oregon

My commission expires Sept. 23, 2010

LENDER ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Deschutes

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On this 27th day of July, 2007, before me, the undersigned Notary Public, personally appeared Robert Dyer and known to me to be the Vice President manager, 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 Donna Overton

Residing at Redmond

Notary Public in and for the State of Oregon

My commission expires 3-1-2011