

RECORDATION REQUESTED BY:

Sterling Savings Bank
Peterkort
9755 SW Barnes Road Ste 105
Portland, OR 97225

2007-017996

Klamath County, Oregon



00033486200700179960020024

10/17/2007 03:23:00 PM

Fee: \$26.00

WHEN RECORDED MAIL TO:

Sterling Savings Bank
Loan Support
PO Box 2224
Spokane, WA 99210

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

ATE: 57814

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated October 16, 2007, is made and executed between between LARRY BUTLER and CHRIS BUTLER, AS TENANTS BY THE ENTIRETY ("Grantor") and Sterling Savings Bank, whose address is Peterkort, 9755 SW Barnes Road Ste 105, Portland, OR 97225 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated September 5, 2003 (the "Deed of Trust") which has been recorded in KLAMATH County, State of Oregon, as follows:

RECORDED SEPTEMBER 10, 2003 UNDER KLAMATH COUNTY AUDITOR'S FILE #67200~~06~~ -03

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in KLAMATH County, State of Oregon:
LOT 7 AND 14, PONDOSA, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE CLERK OF KLAMATH COUNTY, OREGON.

The Real Property or its address is commonly known as 16220 HIGHWAY 66, KENO, OR 97627. The Real Property tax identification number is R618157.

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

TERMS OF THE NOTE ARE HEREBY AMENDED AS FOLLOWS: NOTE DATED OCTOBER 16, 2007 IN THE PRINCIPAL AMOUNT OF \$187,000.00 WITH A MATURITY DATE OF OCTOBER 5, 2045

EXISTING DOT HAS KLAMATH FIRST FEDERAL SAVINGS & LOAN ASSOCIATION AS THE SECURED PARTY.

AMEND BENEFICIARY TO READ: STERLING SAVINGS BANK SUCCESSOR IN INTEREST TO KLAMATH FIRST FEDERAL SAVINGS & LOAN ASSOCIATION.

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 endorser 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 OCTOBER 16, 2007.

This Notice is required by Oregon law. In this Notice the term "you" means the Grantor named above.

NOTICE TO THE GRANTOR: Do not sign this loan agreement before you read it. This loan agreement provides for the payment of a penalty if you wish to repay the loan prior to the date provided for repayment in the loan agreement.

GRANTOR:

x Larry Butler
LARRY BUTLER

x Chris Butler
CHRIS BUTLER

LENDER:

STERLING SAVINGS BANK

x [Signature]
Authorized Officer

426-A

INDIVIDUAL ACKNOWLEDGMENT

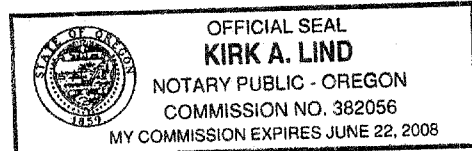
STATE OF OREGONCOUNTY OF WASHINGTON)
) SS
)

On this day before me, the undersigned Notary Public, personally appeared **LARRY BUTLER and CHRIS BUTLER**, 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 16TH day of October, 20 07.

By Kirk A. LindResiding at Portland, OREGONNotary Public in and for the State of OREGONMy commission expires 6/22/08

LENDER ACKNOWLEDGMENT

STATE OF OREGONCOUNTY OF WASHINGTON)
) SS
)

On this 16TH day of October, 20 07, before me, the undersigned Notary Public, personally appeared Scott Clark and known to me to be the Personal Banker, 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 Kirk A. LindResiding at Portland, OREGONNotary Public in and for the State of OREGONMy commission expires 6/22/08