

**RECORDATION REQUESTED BY:**

Sterling Savings Bank  
Klamath Falls - Main  
540 Main St  
Klamath Falls, OR 97601

**WHEN RECORDED MAIL TO:**

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

2008-002662

Klamath County, Oregon



00041043200800026620020027

03/03/2008 02:51:00 PM

Fee: \$26.00

1st 2008-072

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

**MODIFICATION OF DEED OF TRUST**

THIS MODIFICATION OF DEED OF TRUST dated February 29, 2008, is made and executed between LOUISE B STONE and KEITH W STONE VESTED AS FOLLOWS; LOUISE B STONE AS TENANTS IN COMMON AS TO AN UNDIVIDED 83/100 INTEREST AND KEITH W STONE AS TENANT IN COMMON AS TO AN UNDIVIDED 17/100 INTEREST ("Grantor") and Sterling Savings Bank, whose address is Klamath Falls - Main, 540 Main St, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated September 12, 2006 (the "Deed of Trust") which has been recorded in KLAMATH County, State of Oregon, as follows:

RECORDED SEPTEMBER 13, 2006 UNDER KLAMATH COUNTY AUDITOR'S FILE #2006-018493.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in KLAMATH County, State of Oregon:

LOT 183, RUNNING Y RESORT PHASE 3, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE COUNTY CLERK, KLAMATH COUNTY, OREGON

The Real Property or its address is commonly known as 10509 WAXWING CT, KLAMATH FALLS, OR 97601. The Real Property tax identification number is R882910.

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

TERMS OF THE NOTE ARE HEARBY AMENDED AS FOLLOWS: NOTE DATED FEBRUARY 29, 2008 IN THE PRINCIPAL AMOUNT OF 125,000.00.

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.

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 FEBRUARY 29, 2008.

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 Louise B. Stone  
LOUISE B STONE

x Keith W Stone  
KEITH W STONE

LENDER:

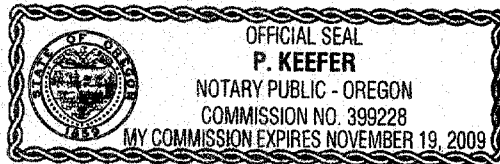
STERLING SAVINGS BANK

x [Signature]  
Authorized Officer

**INDIVIDUAL ACKNOWLEDGMENT**

STATE OF Oregon  
COUNTY OF Klamath

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) SS  
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On this day before me, the undersigned Notary Public, personally appeared LOUISE B STONE and KEITH W STONE, 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 29th day of February, 2008.

By [Signature] Residing at Klamath Falls, Oregon  
Notary Public in and for the State of Oregon My commission expires November 19, 2009

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LENDER ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath

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) SS  
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On this 29th day of February, 2008, before me, the undersigned Notary Public, personally appeared P. Reefer and known to me to be the Personal Banker, authorized agent for **Sterling Savings Bank** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **Sterling Savings Bank**, duly authorized by **Sterling Savings Bank** 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 in fact executed this said instrument on behalf of **Sterling Savings Bank**.

By Holly Scotton  
Notary Public in and for the State of Oregon

Residing at Klamath Falls, Oregon  
My commission expires 12/26/08

Unofficial Copy