



*NOTE 709187*

**MODIFICATION OF MORTGAGE OR TRUST DEED**

THIS AGREEMENT made and entered into this 31 day of **July, 2008**, and between **Kevin C Bulis and Lauri L Adair-Bulis** hereinafter called the "Borrower(s)" and South Valley Bank & Trust, an Oregon Banking Corporation, hereinafter called the "Lender".

WITNESSETH: On or about August 27, 2005, 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 \$182,400.00 payable in monthly installments with interest at the rate of 7.250% 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 August 27, 2005, conveying the following described real property, situated in the County of Klamath State of Oregon to-wit:

Lot 1046 RUNNING Y RESORT-PHASE 12, First Addition Tract 1426, according to the official plat thereof on file in the Office of the County Clerk of Klamath County, Oregon.

Said Security Instrument was duly recorded in the records of said county and state on August 31, 2005 in Vol M05 as Pg 63225

There is now due and owing upon the promissory note aforesaid, the principal sum of One Hundred Eighty Two Thousand Four Hundred and no/100 dollars together with the accrued interest therein, 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 will be due and payable in monthly installments of interest only, on the unpaid principal balance at the rate of 7.250% per annum. The first installment is due and payable on October 1, 2008 and like installments will be due and payable on the 1<sup>st</sup> day of each month thereafter. If on September 1, 2011, (the "Maturity Date") the Borrower still owes amounts under the Note and Security Instrument, all principal and interest, as amended by this Agreement, shall be due and payable in full on the Maturity Date.

Except as herein modified in the manner and on the terms and conditions herein stated, the said promissory note and Security instrument will 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 those present to be executed on its behalf by its duly authorized representative this day and year first hereinabove written.

*Kevin C Bulis*  
Kevin C Bulis

*Lauri L Adair-Bulis*  
Lauri L Adair-Bulis

State of *Oregon*  
County of *Klamath*

This instrument was acknowledged before me on July *31<sup>st</sup>* 2008 (date) by Kevin C Bulis and Lauri L Adair-Bulis

Notary Public for *Cherylea K. Sandberg*  
My commission expires *6-26-2012*

South Valley Bank & Trust  
By: *Bridgitte Griffin*  
Bridgitte Griffin  
VP/Regional Credit Administrator Klamath/Lake Region

