

2008-014913

Klamath County, Oregon

RECORDATION REQUESTED BY:

PremierWest Bank  
Klamath Falls Branch  
421 South 7th Street  
P. O. Box 5016  
Klamath Falls, OR 97601



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11/04/2008 11:11:04 AM

Fee: \$26.00

WHEN RECORDED MAIL TO:

PremierWest Bank  
Klamath Falls Branch  
421 South 7th Street  
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

Owen N. Matthews  
Debra G. Matthews  
29595 DeMerritt Road  
Malin, OR 97632

This document is being recorded as an  
accommodation only. No information  
contained herein has been verified.  
Aspen Title & Escrow, Inc.

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

ATE 7161

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated October 14, 2008, is made and executed between Owen N. Matthews and Debra G. Matthews, husband and wife ("Grantor") and PremierWest Bank, whose address is Klamath Falls Branch, 421 South 7th Street, P. O. Box 5016, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated March 19, 2008 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Line of Credit Instrument in the amount of \$990,000.00 recorded on March 21, 2008 as Document No. 2008-003592 in the Official Records of the Klamath County Clerk, State of Oregon; modified with a Modification of Deed of Trust dated April 25, 2008 in the amount of \$1,149,984.00.

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

See Exhibit A, which is attached to this Modification and made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as 29595 DeMerritt Road, Malin, OR 97632. The Real Property tax identification number is R-4112-00800-01800-000, Key No. R109091.

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

It is hereby agreed to increase the principal amount of the Note from \$1,149,984.00 to \$1,338,093.00.

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.

EXPRESS ACKNOWLEDGEMENT OF CROSS-COLLATERALIZATION. The Agreement Parties expressly and irrevocably, and jointly and severally, acknowledge, affirm, and agree that all of the Real Property and Personal Property Collateral, and any other additional Collateral taken by Lender pursuant to or in connection with the transactions contemplated by this Agreement and/or this Exhibit A (collectively, Lender's Collateral) secures all obligations, debts and liabilities of every kind and nature, including, by way of illustration and not limitation, all overdraft indebtedness, plus interest thereon, that any one or more of the Agreement Parties may owe to Lender, including, but not limited to, each of the Loans the Agreement Parties owe to Lender. This Section represents an unequivocal and irrevocable joint and several acknowledgement and agreement by the Agreement Parties that all of the Collateral secures payment and performance of all of the payment and performance obligations each of the Agreement Parties owes to Lender whether under this Agreement, the Related Documents, or otherwise, and that the Provisions of this Section are supplemental to and are expressly intended to reaffirm any cross-collateralization provisions contained in the Agreement, this Exhibit A, and the Related Documents.

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 14, 2008.

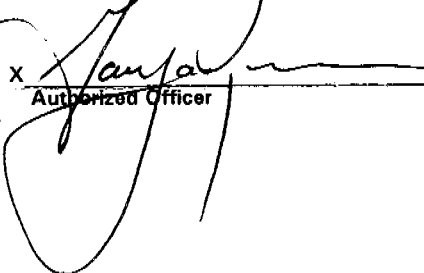
GRANTOR:

X   
Owen N. Matthews

X   
Debra G. Matthews

LENDER:

PREMIERWEST BANK

X   
Authorized Officer

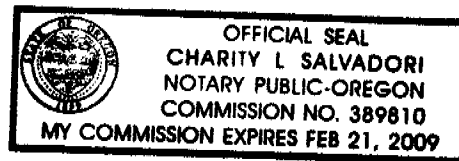
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MODIFICATION OF DEED OF TRUST  
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INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon )  
 ) SS  
COUNTY OF Klamath )

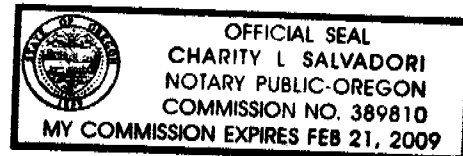


On this day before me, the undersigned Notary Public, personally appeared **Owen N. Matthews**, to me known to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 3rd day of November, 2008.  
By Charity L. Salvadori Residing at PremierWest Bank, Klamath Falls, OR  
Notary Public in and for the State of Oregon My commission expires 2-21-09

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon )  
 ) SS  
COUNTY OF Klamath )

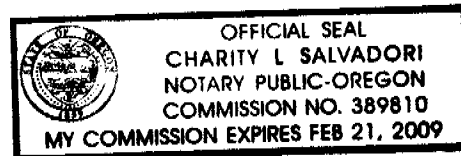


On this day before me, the undersigned Notary Public, personally appeared **Debra G. Matthews**, to me known to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 3rd day of November, 2008.  
By Charity L. Salvadori Residing at PremierWest Bank, Klamath Falls, OR  
Notary Public in and for the State of Oregon My commission expires 2-21-09

LENDER ACKNOWLEDGMENT

STATE OF Oregon )  
 ) SS  
COUNTY OF Klamath )



On this 3rd day of November, 2008, before me, the undersigned Notary Public, personally appeared Gary Parker and known to me to be the VP/Branch Manager, authorized agent for PremierWest Bank that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of PremierWest Bank, duly authorized by PremierWest 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 PremierWest Bank.

By Charity L. Salvadori Residing at PremierWest Bank, Klamath Falls, OR  
Notary Public in and for the State of Oregon My commission expires 2-21-09