

UTC 1396-9/92

2008-015717

Klamath County, Oregon



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11/21/2008 03:36:47 PM

Fee: \$31.00

After Recording Return To:
South Valley Bank & Trust
Attn: Toni Rinehart
PO Box 5210/ 803 Main Street
Klamath Falls OR 97601

MODIFICATION OF MORTGAGE OR TRUST DEED

THIS AGREEMENT made and entered into this 18 day of November, 2008 and between Allen Burns and Joann Burns hereinafter called the "Borrower(s)" and South Valley Bank & Trust, an Oregon Banking Corporation, hereinafter called the "Lender".

WITNESSETH: On or about May 31, 2007 (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 \$400,000.00 payable in monthly installments with interest at the rate of 8.750% 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 May 31, 2007 conveying the following described real property, situated in the County of Klamath State of Oregon to-wit:

Lot 45, Tract 1460- GRAY ROCK PHASE 3, 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 June 1, 2007 as doc. # 2007-009873 and modification agreement on June 3, 2008 as doc. # 2008-00807.

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There is now due and owing upon the promissory note aforesaid, the principal sum of Four Hundred Thousand 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 8.750% per annum. The first installment is due and payable on November 1, 2008, and like installments will be due and payable on the 1st day of each month thereafter. If on April 1, 2009, (the "Maturity Date"), the Borrower still owes amounts under the Note and the 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.

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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.

Allen Burns
Allen Burns

Joann Burns
Joann Burns

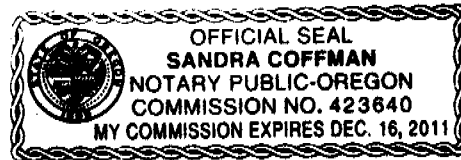
State of Oregon
County of Klamath

This instrument was acknowledged before me on November 18, 2008 (date) by Allen Burns and Joann Burns.

Sandra Coffman
Notary Public for State of Oregon
My commission expires Dec. 16, 2011

South Valley Bank & Trust

By: Bridgitte Griffin
Bridgitte Griffin, VP/Regional Credit Administrator
Klamath/Lake Regions



AMERITITLE, has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein