

RECORDATION REQUESTED BY:

South Valley Bank & Trust
Commercial Branch
P O Box 5210
Klamath Falls, OR 97601

2009-007206

Klamath County, Oregon



05/22/2009 03:15:12 PM

Fee: \$61.00

WHEN RECORDED MAIL TO:

South Valley Bank & Trust
Commercial Branch
P O Box 5210
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

South Valley Bank & Trust
Commercial Branch
P O Box 5210
Klamath Falls, OR 97601

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated May 5, 2009, is made and executed between Ross Ragland Theater; a Non Profit Organization ("Grantor") and South Valley Bank & Trust, whose address is Commercial Branch, P O Box 5210, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated April 21, 1999 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Line of Credit Deed of Trust recorded in Volume M99 on page 17312, Modified on May 23, 2000, recorded May 31, 2000 in Volume M00 on page 19609, Modified on March 27, 2001, recorded on April 3, 2001 in Volume M01 on page 13542; Modified on November 9, 2001, recorded on November 15, 2001 in Volume M01 on page 58589; Modified on December 21, 2001, recorded on January 24, 2002 in Volume M01 on page 4816; Modified on June 19, 2002, recorded on July 2, 2002 in Volume M02 on page 37973; Modified on January 25, 2008, recorded on January 30, 2008 #2008-001240 in the office of the County Clerk of Klamath County, Oregon.

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 218 N. 7th Street, Klamath Falls, OR 97601. The Real Property tax identification number is R809-032AB-06600.

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

Principal Increase to \$435,628.89, cross collateralized with promissory note #830125581 and extend maturity date to June 30, 2012.

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.

DUE ON SALE-CONSENT BY LENDER. Due On Sale-Consent By Lender. Lender may, at lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all and any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method on conveyance of an interest in the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Oregon law.

CROSS-COLLATERALIZATION. In addition to the Note, this Agreement secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, absolute or contingent, liquidated or unliquidated and whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

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 MAY 5, 2009.

GRANTOR:

ROSS RAGLAND THEATER

By: Cari Lewis McMahon
Cari Lewis McMahon, Executive Director of Ross Ragland Theater

By: Glen A. Thomet
Glen A. Thomet, Chairperson of Ross Ragland Theater

LENDER:

SOUTH VALLEY BANK & TRUST

x Chuck Fadden
Authorized Officer

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.

MODIFICATION OF DEED OF TRUST
(Continued)

CORPORATE ACKNOWLEDGMENT



STATE OF OREGON)
) SS
COUNTY OF KLAMATH)

On this 6TH day of MAY, 2009, before me, the undersigned Notary Public, personally appeared Cari Lewis McMahon, Executive Director of Ross Ragland Theater and Glen A. Thomet, Chairperson of Ross Ragland Theater, and known to me to be authorized agents of the corporation that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By [Signature] Residing at Klamath Falls, Oregon 97601
Notary Public in and for the State of Oregon My commission expires 5/11/2010

LENDER ACKNOWLEDGMENT



STATE OF OREGON)
) SS
COUNTY OF KLAMATH)

On this 6TH day of MAY, 2009, before me, the undersigned Notary Public, personally appeared Chuck Paulsen and known to me to be the Loan Officer, authorized agent for South Valley Bank & Trust that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of South Valley Bank & Trust, duly authorized by South Valley Bank & Trust 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 South Valley Bank & Trust.

By [Signature] Residing at Klamath Falls, Oregon 97601
Notary Public in and for the State of Oregon My commission expires 5/11/2010

EXHIBIT "A"
LEGAL DESCRIPTION

Lot 8 in Block 10 of the Original Town of Klamath Falls, formerly Linkville, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

AND

Lots 1, 2 and 7, Block 10, ORIGINAL TOWN OF LINKVILLE in the City of Klamath Falls, Oregon, and the following described strip of land off the Easterly side of Lot 3, Block 10, ORIGINAL TOWN in the City of Klamath Falls, Oregon, to wit:

A strip of land 10.00 feet wide East and West and measured parallel with Pine Street and 90.00 feet long, measured from the Northeast corner of said Lot 3 and parallel with 7th Street and also an easement over a strip of land 5.00 feet wide and 90.00 feet long lying along and on the Westerly side of the said above-described 10.00 foot strip, the measurements as before being parallel with the streets mentioned.


EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL:

A parcel of land situated in the NW1/4 NE1/4 of Section 32, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at the Northeast corner of Lot 1, Block 10, ORIGINAL TOWN in the City of Klamath Falls, Oregon; thence Southwesterly along the Easterly property line of said Block 10, 76.95 feet to its intersection with the Southeasterly centerline prolongation of a common wall; thence Northwesterly along said centerline 22.27 feet to an angle point in the centerline of said common wall; thence Northerly along said centerline 4.22 feet to an angle point in the centerline of said common wall; thence Northwesterly along said centerline 6.00 feet to its intersection with the centerline of a common wall; thence Northeasterly along said centerline 74.10 feet to the Southwesterly right-of-way line of North 7th Street; thence Southeasterly along said right-of-way line 31.34 feet to the true point of beginning.



Cari Lewis McMahon
Executive Director of
Ross Ragland Theater



Glen A. Thomet
Chairperson of Ross Ragland
Theater