

2009-015312

Klamath County, Oregon



00076247200900153120050053

12/03/2009 01:30:32 PM

Fee: \$57.00

Grantor's Name and Address:

Charles E. Defoe, Jr. and Judith A. McGee-Defoe
PO Box 290
Crescent, Oregon 97733

Beneficiary's Name and Address:

Clem C. Caldwell and Patricia W. Caldwell
PO Box 439
Gilchrist, Oregon 97737

After recording return to:

Mary Ann Hughes
File #7073-1102370
First American Title Company
15480 SW Boones Ferry Rd
Lake Oswego, Oregon 97035-3429

DEED OF TRUST MODIFICATION AGREEMENT

This Deed of Trust Modification Agreement is entered into as of October 26, 2009, by and between Clem C. Caldwell and Patricia W. Caldwell (the "Lender") and Charles E. DeFoe, Jr. and Judith A. McGee Defoe (the "Borrower").

1. DESCRIPTION OF EXISTING OBLIGATIONS: Among other Obligations which may be owing by Borrower to Lender, Borrower is indebted to Lender pursuant to that certain Deed of Trust dated October 26, 2007 as recorded in the deed records of the State of Oregon Klamath County and known as recorder's number 2007-018563 recorded at 9 am/pm on the 30th day of October, 2007. The Deed of Trust secures, among other things, Borrowers promise to pay that certain Installment Note dated October 26, 2007 in the face amount of One Hundred Twenty-Five Thousand Dollars and no/100's (\$125,000.00).

Hereinafter, all indebtedness owing by Borrower to Lender shall be referred to as the "Obligations."

2. DESCRIPTION OF COLLATERAL: Repayment of the Obligations is secured by the Collateral as described in the Deed of Trust.

3. INTENT OF THE PARTIES: Borrower and Lender desire to extent the due date from October 26, 2009 to October 26, 2012.

4. CONTINUING VALIDITY: Except as expressly modified pursuant to this Deed of Trust Modification Agreement, the terms of the existing Deed of Trust remain unchanged and in full force and effect. Lender's agreement to modification to the existing Obligations pursuant to this Deed of Trust Modification Agreement in no way shall obligate a Lender to make any future modifications to the Obligations. Nothing in this Deed of Trust Modification Agreement shall constitute a satisfaction of the Obligations. It is the intention of the Lender and Borrower to retain as liable parties all makers of the existing Deed of Trust, unless the party is expressly released by Lender in writing. Unless expressly released herein, no maker will be released by virtue of this Deed of Trust Modification Agreement.

This Deed of Trust Modification Agreement is executed as of the date first written above.

LENDER:

BORROWER:

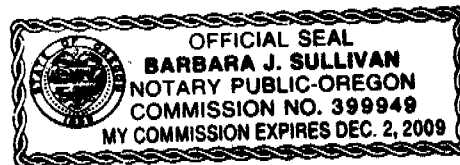
Clem C. Caldwell
Clem C. Caldwell

Charles E. Defoe, Jr.
Charles E. Defoe, Jr. 10-23-09

Patricia W. Caldwell
Patricia W. Caldwell

Judith A. McGee Defoe
Judith A. McGee Defoe 10-23-09

STATE OF OREGON)
COUNTY OF Klamath) ss.



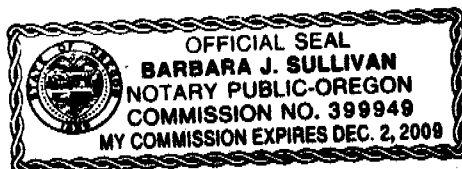
This instrument was acknowledged before me by Clem C. Caldwell on 10-23-2009.

Barbara J. Sullivan

Notary Public for Oregon
My Commission Expires: 12-2-2009

STATE OF OREGON)
COUNTY OF Klamath) ss.

This instrument was acknowledged before me by Patricia W. Caldwell on 10-23-2009.

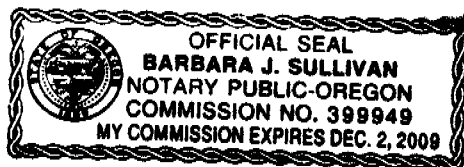


Barbara J. Sullivan

Notary Public for Oregon
My Commission Expires: 12-2-2009

STATE OF OREGON)

COUNTY OF Klamath) ss.



This instrument was acknowledged before me by Judith A McGee Defoe on 10.23.2009

Barbara J Sullivan

Notary Public for Oregon

My Commission Expires: 12.2.2009

STATE OF OREGON)

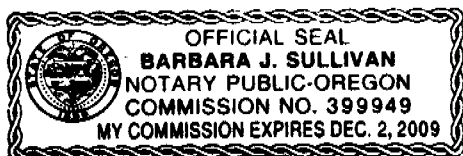
COUNTY OF Klamath) ss.

This instrument was acknowledged before me by Charles E. Defoe, Jr. on 10.23.2009

Barbara J Sullivan

Notary Public for Oregon

My Commission Expires: 12.2.2009



MODIFICATION OF PROMISSORY NOTE

This Modification of Promissory Note is made to that certain Promissory Note entered into by and between Charles E. Defoe, Jr. and Judith A. McGee-Defoe as Makers and Clem C. and Patricia W. Caldwell as Payees on October 26, 2007, a copy of which is attached (the "Note").

The Note is modified as follows:

1. The outstanding balance on the Note as of October 21, 2009 is One Hundred Fifteen Thousand Dollars (\$115,000.00)
2. On or before October 26, 2009, Makers will make a principal payment of Fifteen Thousand Dollars (\$15,000.00).
3. The requirement that the entire outstanding balance be paid on October 26, 2009 is deleted and replaced with alternative payment terms as specified herein.
4. The terms for payment of the remaining principal balance of One Hundred Thousand Dollars shall bear interest thereon at the rate of five percent (5.0%) per annum from October 26, 2009 until paid, which balance shall be payable in monthly installments of not less than One Thousand Dollars (\$1,000.00) in any one payment, the first such installment to be due and payable on the 26th day of November, 2009 and a like payment on the same day of each month thereafter, until October 26, 2012, when the whole unpaid balance, if any, shall become due and payable.
5. Except as specifically modified herein, the remaining terms and conditions of said Note shall remain the same as previously agreed with the only changes being those specifically set forth herein.

In witness whereof, the parties have caused this Modification of Installment Note to be executed in duplicate on this 23rd day of October, 2009.

Payee:

Clem C. Caldwell
Clem C. Caldwell date 10-23-09

Patricia W. Caldwell
Patricia W. Caldwell date 10-23-09

Maker:

Charles E. Defoe, Jr. 10-23-09
Charles E. Defoe, Jr. date

Judith A. McGee Defoe 10-23-09
Judith A. McGee Defoe date

Exhibit A

Legal Description

COMMENCING AT THE NORTHWEST CORNER OF BLOCK 30, CRESCENT TOWNSITE AND RUNNING THENCE NORTHWESTERLY ALONG LINE CONFORMING WITH STEEVENS STREET, A DISTANCE OF 160 FEET TO THE POINT OF BEGINNING DESCRIPTION OF LAND HEREIN CONVEYED; THENCE CONTINUING IN SAME DIRECTION 95 FEET; THENCE SOUTHWESTERLY, PARALLEL WITH HIGHWAY 97, 100 FEET; THENCE SOUTHEASTERLY AT RIGHT ANGLES TO SAID HIGHWAY 95 FEET; THENCE NORTHEASTERLY PARALLEL WITH SAID HIGHWAY 100 FEET TO THE POINT OF BEGINNING.