

RECORDATION REQUESTED BY:

Forest Products Federal
Credit Union
P.O. Box 1179
Klamath Falls, OR 97601

WHEN RECORDED MAIL TO:

Forest Products Federal
Credit Union
P.O. Box 1179
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

Robert E. Cheyne and
Helen J. Cheyne,
Shield Crest, Inc.
9682 Greenbriar Drive
Klamath Falls, OR 97603

Space Above This Line For
Recorder's Use Only

K-41155
MODIFICATION OF DEED OF TRUST

LINE OF CREDIT MORTGAGE

LINE OF CREDIT MORTGAGE. (a) This Deed of Trust is a LINE OF CREDIT MORTGAGE. (b) The maximum amount to be advanced pursuant to the credit agreement is \$1,000,000.00. (c) The term of the credit agreement commences on the date of the Deed of Trust and ends on or after September 9, 2008.

THIS MODIFICATION OF DEED OF TRUST IS DATED MAY 14, 1989, BETWEEN Shield Crest, Inc. (referred to below as "Grantor"), whose address is 9682 Greenbriar Drive, Klamath Falls, OR 97603; and Forest Products Federal Credit Union (referred to below as "Lender"), whose address is P.O. Box 1179, Klamath Falls, OR 97601.

DEED OF TRUST. Grantor and Lender have entered into a Deed of Trust dated September 9, 1988 (the "Deed of Trust") recorded in Klamath County, State of Oregon, at Book/Volume M 88, Page 14722, on September 9, 1988.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the real property (the "Real Property") in Klamath County, State of Oregon, described on Exhibit B attached hereto and incorporated by this reference.

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

The principal amount of the Note referenced in the Deed of Trust is increased to \$1,000,000.00

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

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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.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

SHIELD CREST, INC.

By: Robert E. Cheyne
Robert E. Cheyne,
President

LENDER:

FOREST PRODUCTS FEDERAL
CREDIT UNION

By: Henry J. Caldwell
Authorized Officer

STATE OF OREGON)
) ss.
 County of Klamath)

On this 14 day of ^{June}~~May~~, 1989, personally before me appeared Robert E. Cheyne, and known to me to be an authorized agent 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 he or she is authorized to execute this modification and in fact executed the Modification on behalf of the corporation.

Given under my hand and official seal this 14 day of ^{June}~~May~~, 1989.

By *Deanna L. Brown*

Residing at Klamath Falls, OR

Notary Public in and for
 the State of Oregon

My Commission Expires: 11-13-89

LENDER ACKNOWLEDGMENT

STATE OF OREGON)
) ss.
 County of Klamath)

On this 14 day of ^{June}~~May~~, 1989, before me, the undersigned Notary Public, personally appeared Henry S. Caldwell and known to me to be the President, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender 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 that the seal affixed is the corporate seal of said Lender.

By *Deanna L. Brown*

Residing at Klamath Falls, OR

Notary Public in and for
 the State of Oregon

My Commission Expires: 11-13-89

EXHIBIT B

Shield Crest Lots and Golf Course:

All of Tract No. 1172, Shield Crest, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon, EXCEPT Lots 1, 2, 3, 5, 7, 9, 10, and 12 in Block 2, and Lot 13 in Block 3.

All of Tract No. 1245, First Addition to Shield Crest, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon, EXCEPT Lot 7, Block 4, and Lot 5, Block 5.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title co. the 15th day
of June A.D., 19 89 at 2:39 o'clock PM., and duly recorded in Vol. M89,
of Mortgages on Page 10687.
Evelyn Biehn County Clerk
By O. Andrew Miller

FEE \$23.00