

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 endorers 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)

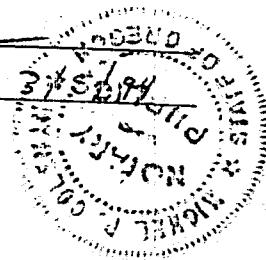
County of Klamath)

ss.

On this 13 day of March, 1990, personally before me appeared Robert E. Cheyne and known to me to be the President of Shield Crest, Inc., 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 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 13 day of March 1990 MPC
~~May 1989.~~

M. P. H.
Notary Public for Oregon
My Commission Expires: 3/5/94



LENDER ACKNOWLEDGMENT

STATE OF OREGON)

County of Klamath)

S.S.

On this 13 day of March, 1990, before me, the undersigned Notary Public, personally appeared Henry J. 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 [Signature]Residing at Klamath Falls ORNotary Public in and for
the State of OregonMy Commission Expires: Mar. 5, 1994

EXHIBIT A

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.

AND

Lot 2 in Block 5, First Addition to Shield Crest, Tract No. 1245, also the Westerly 15 feet of the most Northerly 285.38 feet of Lot 12 in Block 5, First Addition to Shield Crest, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title Co. the 14th day
of March A.D., 19 20 at 11:50 o'clock A.M., and duly recorded in Vol. 490,
of Mortgages on Page 4716.

FEE \$23.00

Evelyn Biehn, County Clerk

By Pauline Mullender