

RECORDATION REQUESTED BY:

South Valley State Bank
801 Main Street
Klamath Falls, OR 97601

WHEN RECORDED MAIL TO:

South Valley State Bank
801 Main Street
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

B L F, Inc.
412 - 1755 W Broadway
Vancouver, BC V6J 4S5

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED AUGUST 9, 1996, BETWEEN B L F, Inc., Washington Corp., an estate in fee simple (referred to below as "Grantor"), whose address is 412 - 1755 W Broadway, Vancouver, BC V6J 4S5; and South Valley State Bank (referred to below as "Lender"), whose address is 801 Main Street, Klamath Falls, OR 97601.

DEED OF TRUST. Grantor and Lender have entered into a Deed of Trust dated February 16, 1996 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded on February 28, 1996 at the Klamath County Recorder's Office Volume M96 at page 5511

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property (the "Real Property") recorded in Klamath County, State of Oregon:

Lot 3, 5 & 6, Block 2, Tract 1152, NORTH HILLS IN THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon

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

Extend Maturity date to February 15, 1997

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 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:

B L F, Inc.

X [Signature] Secretary
Authorized Officer

LENDER:

South Valley State Bank

By: [Signature]
Authorized Officer

CORPORATE ACKNOWLEDGMENT

British Columbia

COUNTY OF Vancouver

On this 19th day of August, 1996, before me, the undersigned Notary Public, personally appeared

of B L F, Inc., and known to me to be authorized agent(s) 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 Vancouver, B.C.

Notary Public in and for the State of B.C.

My commission expires 12/1/97

ARTHUR J. PIHL
BARRISTER & SOLICITOR
1755 WEST BROADWAY
VANCOUVER, B.C. V6J 4S5
PHONE: 737-1121

RECEIVED ACKNOWLEDGMENT

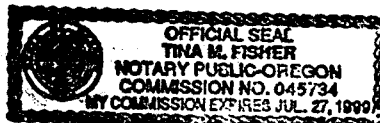
MODIFICATION OF DEED OF TRUST

50540

96 AUG 29 P 2:00

LENDER ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath



On this 26th day of August, 1996, before me, the undersigned Notary Public, personally appeared John F. Doty and known to me to be the President Vice-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 Tina M Fisher
 Notary Public in and for the State of Oregon

Residing at Klamath Falls
My commission expires 7-27-99

LASER PRO, Reg. U.S. Pat. & T.M. Off., Ver. 3.21 (c) 1996 OFI ProServices, Inc. All rights reserved. [OR-Q202 BLF INC.LN C1.OVL]

СОВЕТСКИЕ ВОЗМОЖНОСТИ

ADMINISTRATIVE OFFICE
 BY: *[Signature]*
 SPECIAL AGENT IN CHARGE
 FINGERPRINT

STATE OF OREGON: COUNTY OF KLAMATH: SS.

Filed for record at request of South Valley State Bank the 29th day of August A.D., 19 96 at 2:00 o'clock P.M., and duly recorded in Vol. M96, of Mortgages on Page 26748.

Bernetha G. Letsch, County Clerk
By Kathleen Rose

FEE \$15.00

[illegible]

MODIFICATION: CANCELLED FOR REASON: BUREAU OF RECORDS AND COMMUNICATIONS

1963-1964

NEWBORN PHOTODUPLICATION: THE COVER OF THIS BOOK HAS BEEN REPRODUCED FROM THE PHOTOGRAPH OF THE CHILD TAKEN AT THE TIME OF BIRTH.

Recorded on Reel 38' 1000 at the Klamath County Recorder's Office, Medford, Oregon.

DEED OF 1892:11 (ORIGINAL AND COPIES WERE DELETED AND A COPY OF NEW DEED DELETED AND RECORDED IN 1892:11)

[illegible]

MODIFICATION OF DEED OF 18921

PLEASE TYPE OR PRINT NAME OF BOB WILLARDEN IN THE SPACE

ATUCOPAGE BC 407 422
415 - 1122 M BIOGEM
425 F 125

SEND TAX NOTICES TO:

KIRKUP LANE CH 51901
801 WASH 21561
20011 ADJ 64 2196 DEUX

WHEN RECORDED MAIL TO:

K150711 E1111' ON 21001
 201 1111 21001
 2011 1111 21001

RECORDATION REQUESTED BY:

~~7-53388~~

56478