

RECORDATION REQUESTED BY:

South Valley Bank & Trust
803 Main Street
Klamath Falls, OR 97601

37 MAR 20 P2 22

WHEN RECORDED MAIL TO:

South Valley Bank & Trust
803 Main Street
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

B L F, Inc.
4412 - 1755 W Broadway
Vancouver, BC V6J 4S6

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED MARCH 14, 1997, BETWEEN B L F, Inc., a Washington Corp., an estate in fee simple (referred to below as "Grantor"), whose address is 4412 - 1755 W Broadway, Vancouver, BC V6J 4S6; and South Valley Bank & Trust (referred to below as "Lender"), whose address is 803 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:

Dated February 16, 1996, 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, Block 2, Tract 1162, NORTH HILLS IN THE CITY OF KLAMATH FALLS, in the County of Klamath, State of Oregon

The Real Property or its address is commonly known as NORTH HILLS, Klamath Falls, OR 97601.

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

Extend Maturity date to August 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 valid all parties to the Deed of Trust and all parties, makers and endorses 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.

Authorized Officer ROBERT FLAGGATE SECRETARY

LENDER:

South Valley Bank & Trust

By: *[Signature]*
Authorized Officer

CORPORATE ACKNOWLEDGMENT

PROVINCE OF BRITISH COLUMBIA

CITY OF VANCOUVER

On this 13th day of March, 1997, before me, the undersigned Notary Public, personally appeared ROBERT FLAGGATE

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]*
Kesho Ram Ditta
for the State of British Columbia

Residing at *[Address]*
My commission expires December 31, 1997.

KESHO RAM DITTA

Notary Public

1820 West Broadway

Vancouver, B.C. Canada

V6J 1Y6

PH (604) 725-2918

(Coloured)

MODIFICATION OF DEED OF TRUST

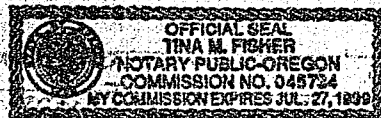
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LENDER ACKNOWLEDGMENT
KESHO BVM DILLY

STATE OF Oregon

COUNTY OF Klamath Falls



POWER OF THIS INSTRUMENT

On this 10th day of March, 1997, before me, the undersigned Notary Public, personally appeared John F. Doe and known to me to be the 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 to the corporate seal of said Lender.

By Tina M. Fisher

Residing at Klamath Falls

Notary Public in and for the State of Oregon

My commission expires 7-27-99

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COUNTERPART ACKNOWLEDGMENT

STATE OF OREGON : COUNTY OF KLAMATH: 85

Filed for record at request of South Valley Bank & Trust the 20th day of March A.D. 19 97 at 2:22 o'clock P.M. and duly recorded in Vol. M97 of Mortgages on Page 8245

FEE \$15.00 by Bernetha G. Letsch, County Clerk
Kathleen Rose

THIS INSTRUMENT IS A MODIFICATION OF THE DEED OF TRUST DATED AND RECORDED IN THE PUBLIC RECORDS OF THE COUNTY OF KLAMATH, OREGON, AS FOLLOWS: THE DEED OF TRUST WAS DATED AND RECORDED IN THE PUBLIC RECORDS OF THE COUNTY OF KLAMATH, OREGON, IN VOLUME M97, PAGE 8245. THE DEED OF TRUST WAS DATED AND RECORDED IN THE PUBLIC RECORDS OF THE COUNTY OF KLAMATH, OREGON, IN VOLUME M97, PAGE 8245. THE DEED OF TRUST WAS DATED AND RECORDED IN THE PUBLIC RECORDS OF THE COUNTY OF KLAMATH, OREGON, IN VOLUME M97, PAGE 8245.

EXHIBIT ATTACHED TO DEED OF TRUST DATED 12/15/96

MODIFICATION: CHANGE THE DEED OF TRUST DATED 12/15/96 TO READ:

THE DEED OF TRUST IS MODIFIED TO READ: NORTH HILLS KRAMATH FALLS ON 6/1/97

FOR THE DEED OF TRUST DATED 12/15/96 IN THE CITY OF KRAMATH FALLS IN THE COUNTY OF KLAMATH, STATE OF OREGON

DEED OF TRUST: THE DEED OF TRUST DATED 12/15/96 IS MODIFIED TO READ: (THE DEED OF TRUST) RECORDED IN VOLUME M97, PAGE 8245

DEED OF TRUST: DATED 12/15/96, RECORDED IN VOLUME M97, PAGE 8245 IN THE COUNTY OF KLAMATH, STATE OF OREGON

DEED OF TRUST: DATED 12/15/96

DEED OF TRUST: DATED 12/15/96, RECORDED IN VOLUME M97, PAGE 8245 IN THE COUNTY OF KLAMATH, STATE OF OREGON

TO BECOME A DEED OF TRUST DATED 12/15/96 IN THE CITY OF KRAMATH FALLS ON 6/1/97

MODIFICATION OF DEED OF TRUST IS DATED MARCH 10, 1997, BY THE DEED OF TRUST DATED 12/15/96 IN THE CITY OF KRAMATH FALLS ON 6/1/97

MODIFICATION OF DEED OF TRUST

DEED OF TRUST DATED 12/15/96 IN THE CITY OF KRAMATH FALLS ON 6/1/97

ASSIGNMENT OF DEED OF TRUST
8245 - 1528 IN DEED OF TRUST
BT 1/1/97

SEND TAX NOTICE TO:

KRAMATH FALLS ON 6/1/97
800 N. 1st St.
KRAMATH FALLS, OR 97601

WHEN RECORDED BY:

KRAMATH FALLS ON 6/1/97
800 N. 1st St.
KRAMATH FALLS, OR 97601

RECORDATION REQUESTED BY:

21 MAR 30 1997

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