

Recording Requested By

mtc 40270

When Recorded Mail To:

Trendwest Resorts, Inc.
Legal Department
12301 N.E. 10th Place
Bellevue, Washington 98005

AMENDMENT TO DEED OF TRUST

(WORLDMARK, THE CLUB - THE RUNNING Y RANCH RESORT)

This Amendment to Deed of Trust is made by WORLDMARK, THE CLUB, a California nonprofit mutual benefit corporation (the "Club"), AMERITITLE, an Oregon corporation, and TRENDWEST RESORTS, INC., an Oregon corporation, Grantor, Trustee and Beneficiary, respectively, of the Deed of Trust dated December 23, 1996, and recorded February 5, 1997, in Volume M97, at Page 3644 (the "Deed of Trust").

The Deed of Trust is hereby amended to include the following (which shall govern over any prior inconsistent variations thereof):

Nondisturbance. If the Beneficiary or any other person (an "Acquiring Party") acquires the Property or any portion thereof or interest therein through foreclosure, deed in lieu of foreclosure or other means by, through or under the Deed of Trust ("Property Transfer Events"):

(a) the Acquiring Party shall not disturb or impair the rights and interests, with respect to the Property so acquired, of Club Members who are not in default of their purchase obligations and their obligations to the Club pertaining to the Property or any portion thereof, as described in the Declaration and Governing Documents (including, without limitation, Club Members who timely cure defaults which arise before or after a Property Transfer Event). (Without limiting the foregoing, the term "Club Members" shall mean and include those persons or entities who acquired Vacation Credits in any way, including for example and without limitation, parties who purchased Vacation Credits (1) directly

from the Club or the Beneficiary, (2) from a holder of a contract evidencing the obligation of a purchaser of Vacation Credits to pay the balance of the purchase price for those Vacation Credits (a "Purchase Contract") who acquired title to the Vacation Credits through foreclosure, conveyance in lieu of foreclosure, or other means pursuant to rights of the holder under the Purchase Contract ("Vacation Credits Transfer Event"), (3) in a Vacation Credits Transfer Event, or (4) from any other purchaser who acquired title in a Vacation Credits Transfer Event); and

(b) the Property so acquired shall not be considered "lost to use" for purposes of Section 3.4(c) of the Declaration; and

(c) the Acquiring Party shall honor all obligations of the Club as tenant under any valid and existing lease for the Property to the same extent as if the Club were still the tenant; and

(d) condemnation and insurance proceeds shall be divided between the Acquiring Party and the Club as provided in the Declaration notwithstanding anything in the Deed of Trust to the contrary as though the Acquiring Party was the Beneficiary with respect to the Property; and

(e) the interest of the Acquiring Party will be subject and subordinate to the Declaration and the Notice.

Subordination. The Beneficiary hereby subordinates its rights in the Property under the Deed of Trust to the Declaration of Vacation Owner Program (Worldmark, the Club - The Running Y Ranch Resort) dated December 23, 1996, and recorded February 5, 1997, in Volume M97, at Page 3592 and amended by instrument dated July 24, 1997, and recorded August 12, 1997, in Volume M97 at Page 26377 and as may be amended from time to time (the "Declaration"), and to the Notice of Vacation Owner Club - Declaration of Covenants, Conditions and Restrictions for Protection of Vacation Club Owners (Worldmark, The Club - The Running Y Ranch Resort) dated December 23, 1996, and recorded February 5, 1997, in Volume M97, at Page 3638 and amended by instrument dated July 24, 1997, and recorded August, 1997 in Volume M97, at Page 26382 and as may be amended from time to time (the "Notice") with respect to the Property. Condemnation and insurance proceeds shall be divided between the Beneficiary and the Grantor as provided in the Declaration notwithstanding anything in the Deed of Trust to the contrary. This instrument shall not be interpreted to reduce or

26389

diminish any other or further nondisturbance rights which Club Members may have.

The Beneficiary represents and warrants that the Beneficiary is the sole beneficiary of the Deed of Trust and is the sole holder of the obligation(s) secured thereby, and the Beneficiary has not assigned or otherwise transferred the same or the Beneficiary's rights thereunder or any interest therein.

Dated: August 9, 1997

Grantor:

WORLDMARK, THE CLUB, a California nonprofit mutual benefit corporation

By W.F. Peare
Name: William F. Peare
Title: President

Dated: August 9, 1997

Beneficiary:

TRENDWEST RESORTS, INC., an Oregon corporation

By [Signature]
Name: Jeffery P. Sites
Title: Secretary

Dated: 8-12-97

Trustee:

[Signature]
AmeriTitle

By JEAN PHILLIPS
Name:
Title: Assistant Secretary

STATE OF WASHINGTON)
) SS
 COUNTY OF KING)

On this 9 day of August, 1997, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared

William F. Pearce to me known to be the President of WorldMark, The Club the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

Stacey Lawrence
~~Marianne M. Kuehnell~~ Stacey Lawrence
 Notary Public in and for the State of Washington, residing at King
 County, 8/98
 My commission expires: 10/09/00.

STATE OF WASHINGTON)
) SS
 COUNTY OF KING)

On this 9 day of August, 1997, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared

Jeffery P. Sites to me known to be the Secretary of Trendwest Resorts, Inc., the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute the said instrument.

Witness my hand and official seal hereto affixed the day and year first above written.

Stacey Lawrence
~~Marianne M. Kuehnell~~ Stacey Lawrence
 Notary Public in and for the State of Washington, residing at King
 County, 8/98
 My commission expires: 10/09/00.

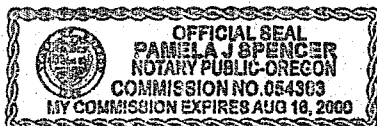
26391

STATE OF Oregon)
) SS.
 COUNTY OF Klamath)

On August 12, 1997, before me personally appeared Jean Phillips, Assist. Sec. of AmeriTitle, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable, in the capacities shown, having been duly authorized to execute such instrument in such capacities.

Pamela J. Spencer

Notary Public, in and for said
 County and State



My commission expires: 8/16/2000

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Amerititle the 12th day
 of August A.D., 19 97 at 11:08 o'clock A. M., and duly recorded in Vol. M97
 of Mortgages on Page 26387

FEE \$30.00

By Bernetha G. Letsch, County Clerk
Kathleen Ross