

RECORDATION REQUESTED BY: 97 OCT -2 AM 44

South Valley Bank & Trust  
P O Box 5210  
Klamath Falls, OR 97601

WHEN RECORDED MAIL TO:

South Valley Bank & Trust  
P O Box 5210  
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

South Valley Bank & Trust  
P O Box 5210  
Klamath Falls, OR 97601

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

## MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED SEPTEMBER 23, 1997, BETWEEN B L F, Inc. (referred to below as "Grantor"), whose address is #412 - 1755 W Broadway, Vancouver, BC V6J 4S5; and South Valley Bank & Trust (referred to below as "Lender"), whose address is P O Box 5210, 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 23, 1996 at the Klamath County Recorder's Office Volume M96 at page 5520

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

See attached Exhibit "A" for legal description

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 September 15, 2002.

**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 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:

B L F, Inc.

x [Signature]  
Authorized Officer

LENDER:

South Valley Bank &amp; Trust

By: [Signature]  
Authorized Officer

## CORPORATE ACKNOWLEDGMENT

PROVINCE BRITISH COLUMBIA  
STATE OF BRITISH COLUMBIA

COUNTY OF VANCOUVER

On this 26th day of September, 1997, before me, the undersigned Notary Public, personally appeared ROBERT STANLEY FLAGG

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 Sumner, British Columbia

Notary Public in and for the State of British Columbia My commission expires December 31, 1997.

KESHO RAM DITTA  
Barrister & Solicitor  
1829 West Broadway  
Vancouver, B.C. Canada  
V6J 1Y5

Phone: (604) 733-8913  
09-53-1663

MODIFICATION OF DEED OF TRUST

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1400 3

09-23-1997

Loan No 302654-1

MODIFICATION OF DEED OF TRUST  
(Continued)

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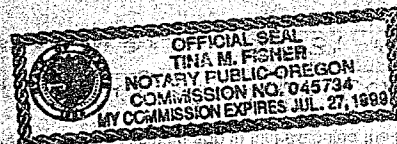
Page 2

Asentor: B.C. Chasq  
KESHO EBN DILLY

LENDER ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath



On this 30th day of September, 1997, before me, the undersigned Notary Public, personally appeared John E. Dora and known to me to be the Corporate 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. 3.23 (c) 1997 CF ProServices, Inc. All rights reserved. [CR-G202 BLFING LN C1.OVL]

CORPORATE ACKNOWLEDGMENT

BEFORE ME, the undersigned authority, on this day personally appeared John E. Dora, known to me to be the Corporate President of the above-named corporation, and acknowledged to me that he executed the foregoing instrument for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 30th day of September, 1997.

Notary Public for Oregon

EXEMPT FROM RECORDATION

NOTIFICATION: This document is exempt from recordation under ORS 31.60(1)(b) because it is a modification of a deed of trust previously recorded in the public records.

DEED OF TRUST: This document is a modification of a deed of trust recorded in the public records on 09/23/97 at 01:30:17.

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MODIFICATION OF DEED OF TRUST

STATE ABOVE THE LINE IS FOR RECORDATION ONLY

RECORDED IN BOOK 01301  
PAGE 01301  
BOOK 01301 PAGE 01301

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## EXHIBIT A

## PARCEL 1:

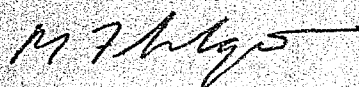
A TRACT OF LAND BEING A PORTION OF LOT 15, BLOCK 1, TRACT NO. 1031, SHADOW HILLS 1, SITUATED IN THE NW1/4 SW1/4, SECTION 35, AND THE NE1/4 SE1/4, SECTION 34, TOWNSHIP 38 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF KLAMATH, STATE OF OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID LOT 15, THE SOUTHEASTERLY CORNER OF SAID LOT 15, BEARS SOUTH 66 DEGREES 04' 00" EAST 28.00 FEET; THENCE NORTH 23 DEGREES 56' 00" EAST 104.83 FEET TO THE SOUTHERLY LINE OF MARIAN COURT; THENCE ON THE ARC OF A CURVE TO THE LEFT (RADIUS POINT BEARS SOUTH 21 DEGREES 34' 10" WEST 200.00 FEET AND CENTRAL ANGLE EQUALS 31 DEGREES 46' 59") 110.94 FEET TO THE NORTHWESTERLY CORNER OF SAID LOT 15; THENCE SOUTH 00 DEGREES 02' 42" WEST 77.13 FEET TO THE SOUTHWESTERLY CORNER OF SAID LOT 15; THENCE SOUTH 66 DEGREES 04' 00" EAST 72.78 FEET TO THE POINT OF BEGINNING.

## PARCEL 2:

A TRACT OF LAND BEING A PORTION OF LOT 15, BLOCK 1, TRACT NO. 1031, SHADOW HILLS 1, SITUATED IN THE NW1/4 SW1/4, SECTION 35, TOWNSHIP 38 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, IN THE COUNTY OF KLAMATH, STATE OF OREGON, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEASTERLY CORNER OF SAID LOT 15; THENCE NORTH 66 DEGREES 04' 00" WEST ALONG THE LOT LINE 78.00 FEET; THENCE NORTH 23 DEGREES 56' 00" EAST 104.83 FEET TO THE SOUTHERLY LINE OF MARIAN COURT; THENCE ON THE ARC OF A CURVE TO THE RIGHT (RADIUS POINT BEARS SOUTH 21 DEGREES 34' 10" WEST 200.00 FEET, CENTRAL ANGLE EQUALS 02 DEGREES 21' 51") 8.25 FEET; THENCE SOUTH 66 DEGREES 04' 00" EAST 49.75 FEET; THENCE ON A CURVE TO THE RIGHT (RADIUS EQUALS 20.00 FEET AND CENTRAL ANGLE EQUALS 90 DEGREES 00' 00") 31.42 FEET TO THE WESTERLY LINE OF SUMMERS LANE; THENCE SOUTH 23 DEGREES 56' 00" WEST 85.00 FEET TO THE POINT OF BEGINNING.



STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of South Valley Bank the 2nd day  
of October A.D., 19 97 at 9:44 o'clock A. M., and duly recorded in Vol. M97  
of Mortgages on Page 32416

FEE \$20.00

By Bernetha G. Letsch, County Clerk  
Kordian Kiesel