

RECORDATION REQUESTED BY:

Washington Mutual Bank doing business as Western Bank
421 South 7th Street
P.O. Box 669
Klamath Falls, OR 97601-0322

WHEN RECORDED MAIL TO:

Washington Mutual Bank doing business as Western Bank
421 South 7th Street
P.O. Box 669
Klamath Falls, OR 97601-0322

SEND TAX NOTICES TO:

Dale A. Newnham and Madaline F. Newnham
27666 Highway 50
Merrill, OR 97633

Vol M99 Page 11544

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED APRIL 16, 1999, BETWEEN Dale A. Newnham and Madaline F. Newnham, as tenants by the entirety (referred to below as "Grantor"), whose address is 27666 Highway 50, Merrill, OR 97633; and Washington Mutual Bank doing business as Western Bank (referred to below as "Lender"), whose address is 421 South 7th Street, P.O. Box 669, Klamath Falls, OR 97601-0322.

DEED OF TRUST. Grantor and Lender have entered into a Deed of Trust dated April 16, 1997 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded April 17, 1997 in Klamath County, State of Oregon, Document No. 97-36263

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

Government Lots 12 and 13, Section 18, Township 41 South, Range 12 East of the Willamette Meridian, also known as Farm Unit E, according to the Farm Unit Plat; EXCEPTING THEREFROM that portion conveyed to Great Northern Railway Company by Deed dated April 27, 1931, recorded April 27, 1931, in Deed Volume 95, Page 147, Deed Records of Klamath County, Oregon

The Real Property or its address is commonly known as 27666 Highway 50, Merrill, OR 97633. The Real Property tax identification number is R111015.

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

Pursuant to the execution of that certain Promissory Note of even date herewith, Grantor hereby agrees that the maturity date of the Deed is extended to April 16, 2000.

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 endorser to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser 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:

X *[Signature]*
Dale A. Newnham

X *[Signature]*
Madaline F. Newnham

LENDER:

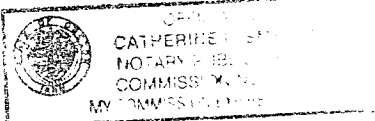
Washington Mutual Bank doing business as Western Bank

By: *[Signature]*
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath



On this day before me, the undersigned Notary Public, personally appeared Dale A. Newnham and Madaline F. Newnham, to be known to be the individuals described in and who executed the Modification of Deed of Trust, and acknowledged that they signed the Modification as the maker and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 16th day of April, 1999.
By *[Signature]*
Notary Public In and for the State of Oregon

day of April, 1999.
Residing at Klamath County
My commission expires July 9, 2000

LENDER ACKNOWLEDGMENT

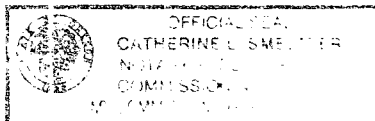
STATE OF

Oregon

) SS

COUNTY OF

Klamath



On this 14th day of April 1999, before me, the undersigned Notary Public, personally appeared Charles R. Langley and known to me to be the Authorized Officer of 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 Fabienne S. Metzger
Notary Public In and for the State of Oregon

Residing at Klamath County
My commission expires July 5, 2001

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STATE OF OREGON, COUNTY OF KLAMATH

Filed for record at request of Washington Mutual the 20th day
of April AD 1999, at 3:39 o'clock P. M., and duly recorded in Vol. M99
of Mortgages on Page 14544

Ed. La Smith County Clerk

FFI \$15.00

by [Signature]