

Recording Requested By:

1999 JUL 23 AM 11: 21

After Recording, Return to:
Wells Fargo Bank, National Association
Business Loan Division
177 Park Center Plaza, 2nd Floor
San Jose, CA 95113
Attn: Marlon Lee
RE: 16288060

MTIC 48572

FIRST MODIFICATION OF DEED OF TRUST

This First Modification of Deed of Trust (this "Modification") is entered into as of this 15th day of July, 1999, by and between Donna Susan Pennrich ("Trustor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION SUCCESSOR BY MERGER TO FIRST INTERSTATE BANK OF OREGON, N. A. ("Beneficiary").

RECITAL

This Modification is entered into upon the basis of the following facts and understandings of the parties:

A. This Modification pertains to that certain Deed of Trust dated as of August 3, 1994 executed by Trustor to American Securities Company, as Trustee, in favor of Beneficiary, and recorded August 4, 1994, as document #85392 Vol. m94 Page 24066, of the Official Records of the County of Klamath, State of Oregon ("Deed of Trust"), as modified July 15, 1999.

B. The obligations secured by the Deed of Trust have been modified, and Trustor and Beneficiary have agreed to modify the Deed of Trust to accurately reflect the obligations secured thereby.

NOW, THEREFORE, the parties hereto agree as follows:

1. The Deed of Trust is hereby modified to reflect as the obligations secured thereby, in addition to the payment and performance of the Indebtedness and any other obligations defined therein or arising thereunder, the payment to Beneficiary of all indebtedness and performance of all obligations evidenced by and arising under that certain Business Lending Disclosure dated August 1, 1997, Confirmation Letter and any related documents ("Agreements") to Beneficiary or its order, executed by and on behalf of Donna S. Pennrich ("Borrower") and dated as of July 15, 1999, in the principal amount of Forty Three Thousand Seven Hundred Twenty One and 00/100 Dollars (\$43,721.00) (which Agreements represents a decrease in the principal amount available under that certain Promissory Note executed by

Borrower dated as of August 3, 1994, and which is secured by the Deed of Trust), together with interest thereon.

2. The real property and the whole thereof described in the Deed of Trust shall remain subject to the lien, charge or encumbrance of the Deed of Trust and nothing herein contained or done pursuant hereto shall affect or be construed to affect the liens, charges or encumbrances of the Deed of Trust, or the priority thereof over other liens, charges or encumbrances, or to release or affect the liability of any party or parties who may now or hereafter be liable under or on account of said promissory notes and/or the Deed of Trust.

3. All terms and conditions of the Deed of Trust not expressly modified herein remain in full force and effect, without waiver or amendment. This Modification and the Deed of Trust shall be read together, as one document.

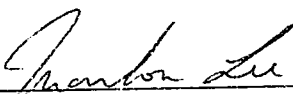
IN WITNESS WHEREOF, the parties hereto have caused this Modification to be executed as of the day and year first above written.

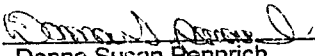
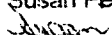
BENEFICIARY:

WELLS FARGO BANK,
NATIONAL ASSOCIATION

TRUSTOR:

Donna Susan Pennrich

By: 
Title: Officer

By: 
Donna Susan Pennrich


By: _____

CERTIFICATE OF ACKNOWLEDGMENT

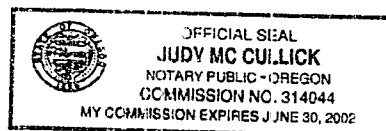
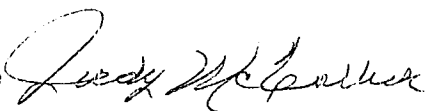
STATE OF

)SS

COUNTY OF

On 7-19-99, before me, Judy Mc Cullick, personally appeared Donna Penney and _____, personally known to me (or proved to me on the basis of satisfactory evidence) to the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature
(Seal)

BOS#: 16288060/OBLIGOR#7017243746

STATE OF CALIFORNIA

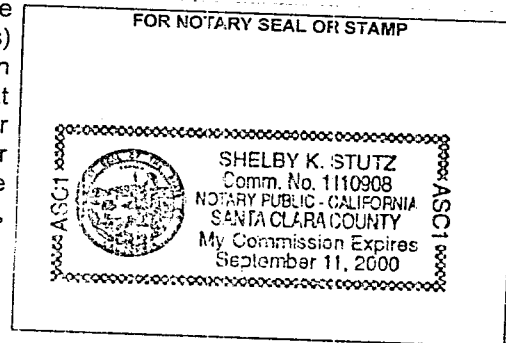
29455

COUNTY OF Santa Clara } SS.

On July 22, 1999, before me, Shelby K. Stutz
a Notary Public in and for said County and State, personally appeared
Marlon Lee

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Signature

Shelby K. Stutz

State of Oregon, County of Klamath
Recorded 7/23/99, at 11:21 a. m.
In Vol. M99 Page 29452
Linda Smith,
County Clerk Fee \$ 25 KL