

RECORDATION REQUESTED BY:

Washington Mutual Bank doing business as Western Bank
601 Crater Lake Avenue
P.O. Box 1047
Medford, OR 97501-0225

Vol. M99 Page 29616

WHEN RECORDED MAIL TO:

Washington Mutual Bank doing business as Western Bank
601 Crater Lake Avenue
P.O. Box 1047
Medford, OR 97501-0225

SEND TAX NOTICES TO:

Southern Oregon Goodwill Industries, Inc.
604 North Fir Street
Medford, OR 97501

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED JULY 19, 1999, BETWEEN Southern Oregon Goodwill Industries, Inc., an Oregon Corporation (referred to below as "Grantor"), whose address is 604 North Fir Street, Medford, OR 97501; and Washington Mutual Bank doing business as Western Bank (referred to below as "Lender"), whose address is 601 Crater Lake Avenue, P.O. Box 1047, Medford, OR 97501-0225.

DEED OF TRUST. Grantor and Lender have entered into a Deed of Trust dated November 16, 1998 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:

Recorded December 8, 1998, in the Office of the Klamath County Recorder in Volume M98 and Page 44824, Klamath County, Oregon.

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

PARCEL 1: Lots 1 and 2, Block 2, Tract 1183, FREEMONT PARK, in the County of Klamath, State of Oregon. LESS AND EXCEPT that portion of Lot 1, Block 2 deeded to the State of Oregon, by and through its Department of Transportation, recorded November 15, 1995 Book M-95 at Page 31162. CODE 41 MAP 3909-10BC TL 800 CODE 41 MAP 3909-10BC TL 700 PARCEL 2: Lots 3 and 4, Block 2, Tract 1183, FREEMONT PARK, in the County of Klamath, State of Oregon. CODE 41 MAP 3909-10BC TL 600 CODE 41 MAP 3909-10BC TL 500

The Real Property or its address is commonly known as 2750 Onyx Avenue, Klamath Falls, OR 97603. The Real Property tax identification number is Code 41 Map 3909-10BC Tax Lots 500, 600, 700, 800.

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 July 15, 2019.

Effective July 19, 1999, the Principal Amount of the Note is hereby decreased to \$545,867.64

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:

Southern Oregon Goodwill Industries, Inc.

By: Gayle E. Byrne
Gayle E. Byrne, President

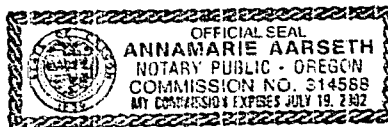
LENDER:

Washington Mutual Bank doing business as Western Bank

By: Jill Keeton
Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Jackson)



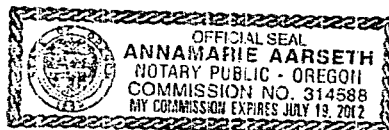
On this 20 day of July, 1999, before me, the undersigned Notary Public, personally appeared Gayle E. Byrne, President of Southern Oregon Goodwill Industries, Inc., and known to me to be an authorized agent of the corporation that executed the Modification of Deed of Trust and acknowledged the Modification 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 he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By: Annamarie Aarseth
Notary Public in and for the State of Oregon

Residing at Medford, Oregon
My commission expires 07-19-2002

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Jackson) SS



On this 20 day of July, 1999, before me, the undersigned Notary Public, personally appeared Jev. Kretton and known to me to be the Authorized Officer, 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 Annamarie Aarseth
Notary Public in and for the State of Oregon

Residing at Medford, Oregon
My commission expires 07-19-2012

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State of Oregon, County of Klamath
Recorded 7/26/99, at 11:00 a. m.
In Vol. M99 Page 29616
Linda Smith,
County Clerk Fee \$ 15 - RR