

RECORDATION REQUESTED BY:

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

Vol M00 Page 9477

WHEN RECORDED MAIL TO:

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

200 MAR 22 PM 3:25

SEND TAX NOTICES TO:

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

AMERITITLE, has recorded this
instrument by request as an accommodation only,
and has not examined it for regularity and sufficiency
or as to its effect upon the title to any real property
that may be described therein.

MTC 1396-1729

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated March 13, 2000, is made and executed between Bellet Construction, Inc.; an Oregon Corporation ("Grantor") and South Valley Bank & Trust, Commercial Branch, P O Box 5210, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated February 15, 2000 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded on February 29, 2000 at the Klamath County Clerks Office, Volume M00, page 6401.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Klamath County, State of Oregon:

Parcels 2 and 3 of Land Partition 8-98 in the W1/2 NE1/4 NW1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon

The Real Property or its address is commonly known as Austin St, Klamath Falls, OR 97603.

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

Increase the Maximum Lien Amount to \$248,980.00 and Revise the Payments.

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 endorers 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.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED MARCH 13, 2000.

GRANTOR:

BELLET CONSTRUCTION, INC.

By: James J. Bellet President
James J Bellet, President of Bellet Construction,
Inc.

By: Sherry A. Bellet Secretary
Sherry A Bellet, Secretary of Bellet Construction,
Inc.

LENDER:

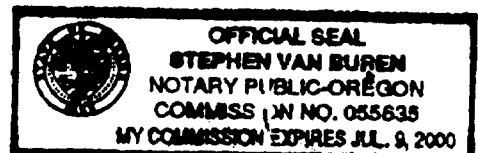
X Stephen Van Buren
Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF OREGON)

) SS

COUNTY OF KLAMATH)



On this 21st day of MARCH, 20 00, before me, the undersigned Notary Public, personally appeared James J Bellet, President of Bellet Construction, Inc. and Sherry A Bellet, Secretary of Bellet Construction, Inc., an Oregon Corporation, and known to me to be authorized agents 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 Stephen Van Buren
Notary Public in and for the State of Oregon

Residing at Klamath Falls
My commission expires July 9, 2000

LENDER ACKNOWLEDGMENT

STATE OF OREGON)
) SS
COUNTY OF KLAMATH)

On this _____ day of _____, 20 _____, before me, the undersigned Notary Public, personally appeared _____ and known to me to be the _____, 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 _____

Residing at _____

Notary Public in and for the State of _____

My commission expires _____

[LASER PRO Lending, Reg. U.S. Pat. & T.M. OFF., Ver. 5.12.00.07 (c) Concentrix 1997, 2000. All Rights Reserved - OR F:\LPWIN\CFIL\PLIG202.FC TR-440 PR-STDN12]

State of Oregon, County of Klamath
Recorded 3/22/00, at 3:25 p.m.
In Vol. M00 Page 9477
Linda Smith,
County Clerk Fee\$ 26.00