RECORDATION REQUESTED BY:

Washington Mutual Bank dba Western Bank **Bend Business Banking Center** 450 N.W. Franklin P.O. Box 1226

Bend, OR 97709-1226

200 JUN 19 // 10:58

WHEN RECORDED MAIL TO:

Washington Mutual Bank dba Western Bank **Bend Business Banking Center** 450 N.W. Franklin P.O. Box 1226 Bend, OR 97709-1226

SEND TAX NOTICES TO:

Scott L. Runels Margie B. Runels HC 63 Box 305 Chiloquin, OR 97624

K55653

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

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MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated June 12, 2000, is made and executed between Scott L. Runels aka Scott Lee Runels and Margie B. Runels, as tenants by entirety, whose address is HC 63 Box 305, Chiloquin, OR 97624 ("Grantor") and Washington Mutual Bank dba Western Bank, Bend Business Banking Center, 450 N.W. Franklin, P.O. Box 1226, Bend, OR 97709-1226 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated March 24, 2000 (the "Deed of Trust") which has been recorded in Lake and Klamath County, State of Oregon, as follows:

Recorded on April 20, 2000, Book 119 page 365 Mortgage records of Lake County, State of Oregon and Volume M00 page 14366, Records of Klamath County, State of Oregon.

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

See Exhibit "A" attached hereto and by this reference incorporated herein

The Real Property or its address is commonly known as Various Addresses, OR.

MODIFICATION. Lender and Grantor 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 March 15, 2001.

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.

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 JUNE 12, 2000.

X — Scott L. Runels, Individually		x Margie B. Runels Individually			
X Authorized Officer					
INDIVIDUAL ACKNOWLEDGMENT					
STATE OF OREGON COUNTY OF LAKE AND KLAMATH)) ss)	OFFICIAL SEAL BRENDA P. RODRIGUEZ NOTARY PUBLIC-OREGON COMMISSION NO. 301701 MY COMMISSION EXPIRES SEP. 6, 2001			
described in and who executed the Modification of the and deed, for the uses and purposes therein mention. Given under my hand and official seal this	Deed of Trust, and add	Residing at My commission expires Resident L. Runels and Margie B. Runels, to me known to be the individuals to the known to be the known to be the individuals to the known to be the individuals to the known to be the individuals to the known to be the known			
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Page 2

MODIFICATION OF DEED OF TRUST (Continued)

LENDER ACKNOWLEDGMENT						
STATE OF OREGON COUNTY OF LAKE AND KLAMATH DESCHUTE))ss 0)	MY COM	OFFICIAL SEAL NEVA J STUMBO NOTARY PUBLIC-OREGON COMMISSION NO. 327583 MISSION EXPIRES SEP 29, 2003			
On this appeared John G. Clark authorized agent for the Lender that executed the and deed of the said Lender, duly authorized by the and on oath stated that he or she is authorized to e	awithin and foregoing the Lender through its execute this said instructions.	instrument and ac board of directors iment and that the Residing at	s or otherwise, for the uses and pu seal affixed is the corporate seal of	a the free and voluntary act urposes therein mentioned, of said Lender.		

RECORDATION REQUESTED BY:

Washington Mutual Bank dba Western Bank Bend Business Banking Center 450 N.W. Franklin P.O. Box 1226 Bend, OR 97709-1226

WHEN RECORDED MAIL TO:
Washington Mutual Bank dba Western Bank
Bend Business Banking Center 450 N.W. Franklin P.O. Box 1226 Bend, OR 97709-1226

SEND TAX NOTICES TO:

Scott L. Runeis Margie B. Runels HC 63 Box 305 Chiloquin, OR 97624

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EXHIBIT "A"

This EXHIBIT "A" is attached to and by this reference is made a part of the Modification of Deed of Trust, dated June 12, 2000, and executed in connection with a loan or other financial accommodations between WASHINGTON MUTUAL BANK DBA WESTERN BANK and Scott L. Runels and Margle B. Runels.

Lake County

PARCEL 1:

The SE 1/2 and the E 1/2 of the SW 1/2 of Section 32 in Township 27 South, Range 16 East of the Willamette Meridian in Lake County, Oregon.

PARCEL 2:

Government Lots 1,2 and 3 and the S 1/2 of the NE 1/4 and the N 1/2 of the SE 1/4 and the SW 1/4 of the SE 1/4 of Section 5 in Township 28 South, Range 16 East of the Willamette Meridian in Lake County, Oregon.

PARCEL 3:

The SE 1/2 of the NW 1/2 and the SW 1/2 of Section 5 in Township 28 South, Range 16 East of the Willamette Meridian in Lake County, Oregon.

Klamath County

PARCEL 1:

The S 1/2 SE 1/4 NW 1/4 of Section 31, Township 30 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, lying Easterly of the Southern Pacific Railroad right of way.

PARCEL 2:

The S1/2 N 1/2 SE 1/4 NW 1/4 of Section 31, Township 30 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, lying Easterly of the Southern Pacific Railroad right of way.

All that portion of the E 1/2 SW 1/4 of Section 31, Township 30 South, Range 8 East of the Willamette Meridian, lying Easterly of the Southern Pacific Railroad, Klamath County, Oregon.

All that portion of the N 1/2 N 1/2 SE 1/2 NW 1/4 of Section 31, Township 30 South, Range 8 East of the Willamette Meridian, lying Easterly of the Southern Pacific Railroad right of way, Klamath County, Oregon.

NW 1/4 of the SE 1/4 and government Lots 5, 6, 7 and 8 in Section 31, Township 30 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 6:

That portion of the S 1/2 of Section 19, lying Southerly of the Silver Lake Road, and EXCEPTING THEREFROM that portion lying within the railroad right of way, in Township 31 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

THIS EXHIBIT "A" IS EXECUTED ON JUNE 12, 2000.

State of Oregon, County of Klamath Recorded 06/19/00, at 10:5% m. In Vol. M00 Page 22/20

Linda Smith,

County Clerk

Fee\$_3/°°