

RECORDATION REQUESTED BY:

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

Vol M00 Page 41769

WHEN RECORDED MAIL TO:

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

200 NOV 20 AM 11:20

SEND TAX NOTICES TO:

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

MTL
1396-2257

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated October 19, 2000, is made and executed between Anderson Loving Trust dated October 16, 1990, whose address is 3717 Beverly Dr, Klamath Falls, OR 97603, Vested as Jerry O Anderson and Elizabeth A Anderson, Trustee under Anderson Loving Trust dated October 16, 1990 (referred to below as "Grantor"); ("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 May 28, 1999 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded on June 02, 1999. Volume M99, Page 21806.

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

See Exhibit "B", which is attached to this Modification and made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as 6211, 6215, 6330 & 6338 Katie Lane, Klamath Falls, OR 97603.

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

To extend the Maturity Date to October 05, 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 OCTOBER 19, 2000.

GRANTOR:

X [Signature]
Jerry O Anderson, Individually

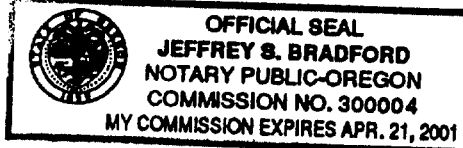
X [Signature]
Elizabeth Anderson, Individually

LENDER:

X [Signature]
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON)
) SS
COUNTY OF KLAMATH)



On this day before me, the undersigned Notary Public, personally appeared Jerry O Anderson and Elizabeth Anderson, to me known to be the individuals described in and who executed the Modification of Deed of Trust, and acknowledged that they signed the Modification as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 30th day of October, 2000.

By [Signature]
Notary Public in and for the State of Oregon

Residing at 801 Main St., K. Falls OR
My commission expires 4/21/01

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 _____

PARCEL 1:

The following described property in the County of Klamath, State of Oregon, described as follows:

Beginning at an iron pin which is 30 feet North and 30 feet East of a brass plug marking the intersection of the centerline of the Klamath Falls-Lakeview Highway and a county road to the North and South along the section line between Sections 1 and 2, Township 39 South, Range 9 East of the Willamette Meridian; thence East 1320.0 feet to an iron pipe marking the East boundary of a North-South County Road (Patterson Street) and the South boundary of a county road (Simmers Avenue) to the East; thence along the South boundary of said county road to the East, North 88 degrees 55' East, 330.0 feet to a point; thence leaving said county road boundary, North 0 degrees 03' East 370 feet to an iron pipe which is the true point of beginning; thence parallel to and 370.0 feet from said Southerly boundary of Easterly county road North 88 degrees 55' East 330 feet to an iron pipe; thence South 0 degrees 03' West 330.0 feet to an iron pipe which is on the Northerly boundary of said Easterly county road; thence along Northerly boundary of said Easterly county road North 88 degrees 55' East 40.0 feet to an iron pipe; thence leaving said Northerly boundary of Easterly county road, North 0 degrees 03' East 330.0 feet to an iron pipe; thence parallel to and 330.0 feet from said Northerly boundary of said Easterly county road North 88 degrees 55' East 337.0 feet to an iron pipe; thence North 0 degrees 03' East 97.6 feet to an iron pipe; thence North 0 degrees 03' East 42.0 feet to the centerline of the Enterprise Irrigation District Canal; thence Northerly along the centerline of said Enterprise Irrigation District Canal North 27 degrees 25' West 53.8 feet to a point; thence North 12 degrees 16' West 186.9 feet to a point; thence North 33 degrees 55 1/2' West 34.2 feet to a point; thence North 63 degrees 21' West 29.2 feet to a point; thence North 34 degrees 53' West 42.7 feet to a point; thence North 10 degrees 24' West 182.8 feet to a point; thence North 21 degrees 41 1/2' West 76.3 feet to a point; thence North 47 degrees 21 1/2' West 12.5 feet to a point; thence leaving said centerline of said canal, North 0 degrees 03' East 40.0 feet to an iron pin; thence North 0 degrees 03' East 193.8 feet to an iron pipe on the North boundary of the SE 1/4 NW 1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian; thence along the Northerly boundary of said SE 1/4 NW 1/4, South 88 degrees 47' West 502.0 feet to an iron pipe, from which an iron pipe marking the 1/16th corner and the centerline

Continued on next page

of a North-South county road bears South 88 degrees 47' West 360.0 feet; thence leaving said North boundary South 0 degrees 03' West on a line parallel to and 360.0 feet from the Easterly boundary of the said North-South county road a distance of 941.2 feet, more or less, to the true point of beginning, being entirely within the SE 1/4 NW 1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian.

PARCEL 2:

The following described property in the County of Klamath, State of Oregon, described as follows:

Beginning at a point 1,320 feet East and 916 feet North of an iron pin driven into the ground near the Southwest corner of the Northwest quarter of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, on the property of Otis V. Saylor, which pin is 30 feet East of the center of a road intersecting the Klamath Falls-Lakeview Highway from the North and 30 feet North of the center of said Highway; thence East 330 feet to a point; thence North 394.4 feet, more or less, to the North line of the Southeast quarter of the Northwest quarter (SE 1/4 NW 1/4) of said Section, Township and Range; thence West along said North line, 330 feet to a point on said line distant, East 30 feet from the said Northwest corner of said Southeast quarter of the Northwest quarter; thence South and parallel with the West line of said Southeast quarter, Northwest quarter, 394.4 feet, more or less, to the point of beginning.

LESS AND EXCEPT that portion of the above described parcels that lie within Tract 1304, Pleasant Vista.

CODE 43 MAP 3909-1BD TL 1900

PARCEL 3:

Beginning at an iron pin which is 30 feet North and 30 feet East of a brass plug marking the intersection of the centerline of the Klamath Falls-Lakeview Highway and county road to the North and South along the section line between Sections 1 and 2, Township 39 South, Range 9 East of the Willamette Meridian; thence East 1320.0 feet to an iron pipe marking the East boundary of a North-South county road (Patterson St.) and the South boundary of a county road (Simmers Ave.) to the East; thence along the South boundary of said county road to the East, North 88 degrees 55' East 1037.0 feet to a point; thence North 0 degrees 03' East 791.1 feet to an iron pipe which is the true point of beginning of this description; thence South

Continued on next page

EXHIBIT "B" CONTINUED

88 degrees 55' West 95.0 feet to an iron pipe; thence South 88 degrees 55' West 20.3 feet to a point on the centerline of the Enterprise Irrigation District Canal; thence along the said centerline of said canal, South 34 degrees 53' East 9.3 feet; thence South 63 degrees 21' East 29.2 feet; thence South 33 degrees 55 1/2' East 34.2 feet; thence South 12 degrees 16' East 186.9 feet; thence South 27 degrees 25' East, 53.8 feet to a point; thence leaving the centerline of the Enterprise Irrigation District Canal, North 0 degrees 03' East 281.5 feet, more or less, to the true point of beginning, and lying in the SE 1/4 NW 1/4 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon.

CODE 43 MAP 3909-1BD TL 400

PARCEL 4:

All of Tract 1304, PLEASANT VISTA, in the County of Klamath, State of Oregon. LESS AND EXCEPT Lots 8 and 22.

CODE 43 MAP 3909-1BD TL 2000
 CODE 43 MAP 3909-1BD TL 2100
 CODE 43 MAP 3909-1BD TL 2200
 CODE 43 MAP 3909-1BD TL 2300
 CODE 43 MAP 3909-1BD TL 2500
 CODE 43 MAP 3909-1BD TL 2600
 CODE 43 MAP 3909-1BD TL 2700
 CODE 43 MAP 3909-1BD TL 2800
 CODE 43 MAP 3909-1BD TL 2900
 CODE 43 MAP 3909-1BD TL 3000
 CODE 43 MAP 3909-1BD TL 3100
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 CODE 43 MAP 3909-1BD TL 3900
 CODE 43 MAP 3909-1BD TL 4000
 CODE 43 MAP 3909-1BD TL 4100
 CODE 43 MAP 3909-1BD TL 4200
 CODE 43 MAP 3909-1BD TL 4300
 CODE 43 MAP 3909-1BD TL 4400
 CODE 43 MAP 3909-1BD TL 4500

JERRY ANDERSON LOVING TRUST DATED OCTOBER 16, 1990

BY: 

JERRY O. ANDERSON, TRUSTEE

BY: _____

ELIZABETH A. ANDERSON, TRUSTEE

State of Oregon, County of Klamath
 Recorded 11/20/00, at 11:20 a.m.
 In Vol. M00 Page 41769
 Linda Smith,
 County Clerk Fee \$ 41.00