

2001 FEB 20 AM 11: 18

Vol MQ1 Page 6563

Recording Requested By,
And After Recording, Return To:
WELLS FARGO BANK,

P.O. BOX 1786

EUGENE, OR 97440

ATTENTION: MANDY BUIE

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 1396-2514

FIRST MODIFICATION OF DEED OF TRUST AND
ASSIGNMENT OF RENTS AND LEASES

This First Modification of Deed of Trust (this "Modification") is entered into as of February 2, 2001, by and between PAPE' PROPERTIES, INC. ("Grantor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION ("Beneficiary").

RECITALS

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 and Assignment of Rents and Leases dated as of May 5, 1999, executed by Grantor to WELLS FARGO BANK (ARIZONA), NATIONAL ASSOCIATION as Trustee, in favor of Beneficiary, and recorded on May 11, 1999, in instrument No. M99-18121 of the Records of Klamath County, Oregon ("Deed of Trust").

B. Certain additional obligations have been or are to be incurred which are to be secured by the Deed of Trust, and Grantor and Beneficiary have agreed to modify the Deed of Trust to reflect said additional obligations as secured thereby.

NOW, THEREFORE, the parties hereto agree as follows:

1. The Deed of Trust is hereby modified to reflect as obligations secured thereby and included in the definition of Secured Obligations therein, in addition to the Secured Obligations described in Sections 2.01(b) through (e) thereof, and in addition to the payment and performance of any other Secured 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 promissory note dated as of February 2, 2001, executed by Pape' Properties, Inc. and payable to Beneficiary or its order, and finally maturing on February 28, 2011, in the principal amount of Nine Hundred Ninety Thousand Dollars (\$990,000.00), together with interest thereon, and any such indebtedness or other obligations incurred under or in connection with the credit accommodation evidenced by said promissory note, even if not specifically referenced therein.

C:\Documents and Settings\buie\Local
Settings\Temporary Internet Files\OLK3\Pape' 1434
South Sixth C-
520_OR.DOC;WINNT\Profiles\martg04\Desktop\Pap
e'-1434-South-Sixth-C-520_OR.DOC
(Rev. 06/00)
OB#6900792306 AU#3832

-1-

principal amount of Nine Hundred Ninety Thousand Dollars (\$990,000.00), together with interest thereon, and any such indebtedness or other obligations incurred under or in connection with the credit accommodation evidenced by said promissory note, even if not specifically referenced therein.

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

By: 

Title: Vice President

GRANTOR:

PAPE' PROPERTIES, INC.

By: 

Title: Pres.

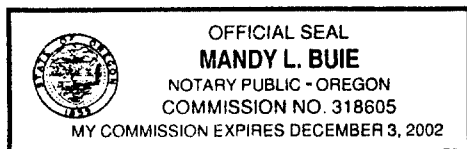
OBTAIN NOTARY ACKNOWLEDGMENTS

STATE OF OREGON)
) ss.
COUNTY OF Lane)

Be it remembered that on this 9th day of February, 2001 before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named John Weiss, **Vice President of Wells Fargo Bank National Association**, known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that she executed the same freely and voluntarily.

In testimony whereof, I have hereunto set my hand and affixed my official seal the date last above written.

Monica Y. Bue
Notary Public for Oregon
My Commission expires 12-3-2002



STATE OF OREGON }
COUNTY OF Lane } ss

On this 16 day of Feb, 2001, before me appeared Gary Page who being duly sworn, did say that he is the President of the corporation and that this instrument was voluntarily signed in behalf of the corporation by authority of its Board of Directors.

Before me:



Lynne Turner Boldt
Notary Public for Oregon

State of Oregon, County of Klamath
Recorded 02/20/01, at 11:18 a. m.
In Vol. M01 Page 6563
Linda Smith.
County Clerk Fee\$ 31⁰⁰