

RECORDATION REQUESTED BY:

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

State of Oregon, County of Klamath
Recorded 05/15/2002 3:15 P m.
Vol M02, Pg 29101
Linda Smith, County Clerk
Fee \$ 260 # of Pgs 2

WHEN RECORDED MAIL TO:

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

SEND TAX NOTICES TO:

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

mtc 1396 - 3905

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated April 30, 2002, is made and executed between Leo F McKoen Jr ("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 April 1, 2000 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Line of Credit Instrument dated April 13, 2000, recorded June 22, 2000 in Book M00, Page 22773 of records of Klamath County, Oregon, Modification dated June 26, 2001, recorded July 9, 2001 in Book M01, Page 33137 of records of Klamath County, Oregon, Modification dated January 30, 2002, recorded February 5, 2002 in Book M02, Page 6969-71 of records of Klamath County, Oregon, .

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

See attached Exhibit "C" and by this reference incorporated herein

The Real Property or its address is commonly known as Merrill, OR 97623.

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

Extend maturity date to March 30, 2007 and cross collateralize with loans #830292916 & #830209161.

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 APRIL 30, 2002.

GRANTOR:

X Leo F McKoen Jr
Leo F McKoen Jr, Individually

LENDER:

X Hal Sturgeon
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Klamath)



On this day before me, the undersigned Notary Public, personally appeared Leo F McKoen Jr, to me known to be the individual described in and who executed the Modification of Deed of Trust, and acknowledged that he or she signed the Modification as his or her free and voluntary act and deed, for the uses and purposes therein mentioned.

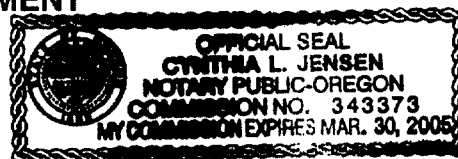
Given under my hand and official seal this 30 day of April, 2002.

By Hal Sturgeon Residing at Klamath Falls

Notary Public in and for the State of Oregon My commission expires Nov. 16, 2003

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
) SS
COUNTY OF Klamath)



On this 30th day of April, 20____, before me, the undersigned Notary Public, personally appeared Hal Sturgeon and known to me to be the Loan 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 Cynthia L Jensen Residing at Klamath Falls
Notary Public in and for the State of Oregon My commission expires 3/30/05