

RECORDATION REQUESTED BY:

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

Vol M03 Page 04462

WHEN RECORDED MAIL TO:

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

State of Oregon, County of Klamath
Recorded 01/23/2003 2:56 p.m.
Vol M03 Pg 04462-05
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 2

SEND TAX NOTICES TO:

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

MTL 1396-4627

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated January 16, 2003, is made and executed between WC Ranch, 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 June 28, 2001 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded July 5, 2001 in Volume M01 Page 32636 as on file with the Clerk of Klamath County, State of Oregon. Modified August 23, 2001, recorded September 4, 2001, in Volume M01 Page 44959 as on file with the Clerk of Klamath County, State of Oregon.

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

Parcel Two (2) and Parcel Three (3) of Land Partition 22-00 in the Southwest Quarter of the Southwest Quarter of Section 3, Township 39 South, Range 9 East, Willamette Meridian, as on file with the Clerk of Klamath County, Oregon.

The Real Property or its address is commonly known as 2833 Washburn Way, Klamath Falls, OR 97603. The Real Property tax identification number is 3909-003CC-00400-000

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

Extend the Maturity to March 31, 2003.

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 JANUARY 16, 2003.

GRANTOR:

WC RANCH, INC

By: Michael B Wray, President of WC Ranch, Inc

By: Nancy Dey, Director of WC Ranch, Inc

By: John W Dey, Secretary of WC Ranch, Inc

LENDER:

X Jeffrey S. Bradford
Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath

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) SS
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On this 22 day of January, 2003, before me, the undersigned Notary Public, personally appeared Michael B Wray, President; John W Dey, Secretary and Nancy Dey, Director of WC Ranch, Inc, 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: K. Linville
Notary Public in and for the State of Oregon

Residing at Klamath Falls, OR
My commission expires 2-9-03

LENDER ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

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 _____