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MTL 6085e-142

Vol M03 Page 30588

RECORDATION REQUESTED BY:

Klamath First Federal Savings & Loan Association
Main Office and Branch
540 Main Street
Klamath Falls, OR 97601

State of Oregon, County of Klamath

Recorded 05/07/2003 3:09 p m.

Vol M03 Pg 30588-89

Linda Smith, County Clerk

Fee \$ 26.00 # of Pgs 2

WHEN RECORDED MAIL TO:

Klamath First Federal Savings & Loan Association
Main Office and Branch
540 Main Street
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

BELLET CONSTRUCTION INC
PO BOX 5167
KLAMATH FALLS, OR 97603

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated May 5, 2003, is made and executed between BELLET CONSTRUCTION, INC., AN OREGON CORPORATION ("Grantor") and Klamath First Federal Savings & Loan Association, Main Office and Branch, 540 Main Street, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated January 9, 2002 (the "Deed of Trust") which has been recorded in KLAMATH County, State of Oregon, as follows:

Recorded on January 11, 2002 as Vol M02, Page 2000 in Klamath County, Oregon.

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

Parcels 2 of Land Partition 8-98 in the W 1/2 NE 1/4 NW 1/4 of Section 10, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

The Real Property or its address is commonly known as ONYX, KLAMATH FALLS, OR 97603. The Real Property tax identification number is R-3909-010BA-02602-000

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

This Deed of Trust secures the Promissory Note dated May 5, 2003 from Bellet Construction, Inc. to Klamath First in the original amount of \$174,069.86, with a maturity date of April 15, 2013.

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 endorser 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 MAY 5, 2003.

GRANTOR:

BELLET CONSTRUCTION INC

By: James J. Bellet (President)
JAMES J. BELLET, PRESIDENT of BELLET
CONSTRUCTION INC

By: Sherry A. Bellet Sec.
SHERRY A. BELLET, SECRETARY of BELLET
CONSTRUCTION INC

LENDER:

x Angela M. Barry
Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) SS
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On this 7th day of May, 20 03, before me, the undersigned Notary Public, personally appeared JAMES J. BELLET, PRESIDENT; SHERRY A. BELLET, SECRETARY of BELLET CONSTRUCTION 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: Christine L. Redd
Notary Public in and for the State of Oregon

Residing at Klamath Falls, Oregon
My commission expires 11/16/2003

LENDER ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath

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) SS
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OFFICIAL SEAL
CATHERINE L. SMELTZER
NOTARY PUBLIC-OREGON
COMMISSION NO. 358514
MY COMMISSION EXPIRES JUL 5, 2006

On this 6th day of May, 20 03, before me, the undersigned Notary Public, personally appeared Angelee M. Barry and known to me to be the Business Banking 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 Catherine L. Smeltzer
Notary Public in and for the State of Oregon

Residing at Klamath Falls, OR
My commission expires July 5, 2006