

04 AUG 13 PM 12:11

After recording, return to:
D. Daniel Chandler
Attorney at Law
1010 Esther St.
Vancouver, WA 98660

Vol M04 Page 53313

AMENDMENT
TO
DEED OF TRUST
AND
ASSIGNMENT OF RENTS

State of Oregon, County of Klamath
Recorded 08/13/04 12:11 P m
Vol M04 Pg 53313-15
Linda Smith, County Clerk
Fee \$ 31.00 # of Pgs 3
5.00

Recitals:

1. Trustor, Southview Properties, LLC, has borrowed certain funds from Beneficiary as referenced in that certain Deed of Trust and Assignment of Rents dated the 6th day of October, 2003 and recorded in the Records of Klamath County, Oregon on the 29th day of October, 2003 as Vol. M03, Pg. 80323-26 (hereinafter "Trust Deed"). The Trust Deed attaches to property described in Exhibit A, hereto (hereinafter "Premises").
2. The Trust Deed secures a certain indebtedness evidenced by a note of even date with the Trust Deed. (hereinafter "Note")
3. Beneficiary, Pac Equities, Inc. is the lender and Beneficiary under the Trust Deed.
Trustor is developing a planned unit development that includes residential subdivisions on the property secured by the Deed of Trust and Assignment of Rents.
4. The parties desire to provide for the release of certain portions of the property from the Trust Deed upon partial payment of the loan secured by the Trust Deed.

NOW THEREFORE, the parties agree that the Trust Deed is amended to include the following provision:

Provided that Trustor is not in default under the terms and conditions of the Trust Deed, Trustor shall be entitled to a partial release and reconveyance of the Premises as set forth herein.

Upon written request from Trustor, Beneficiary shall execute and deliver to Trustee a Request for Partial Reconveyance or a Deed of Partial Reconveyance for one lot that has been the subject of the subdivision of lands process, provided that any such lot is legally recognized by a lot number, and does not exceed one half of one acre in size for each payment made by Trustor to Trustee in the amount of Thirteen Thousand Five Hundred Dollars (\$13,500.00). Any such payment made by Trustor to Beneficiary shall first be applied to any accrued and unpaid interest and then to

31 F
x5

the outstanding principal balance of the indebtedness. All recording fees incurred for the partial reconveyance or deed of release shall be borne by Trustor.

53314

C. Other than as expressly modified herein, all other terms of the Trust Deed remain in full force and effect.

PacEquities Inc

Southview Properties, LLC


By: Michael Rich, President


By: Gregory P. Bessert, Manager

Date: 8/12/04

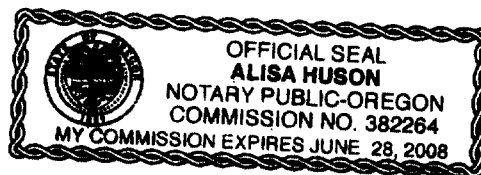
Date: 8-12-04

STATE OF OREGON)
)ss:
COUNTY OF DESCHUTES)

The foregoing instrument was acknowledged before me this 12th day of August, 2004, by Michael Rich, President of Pacific Equities Inc., on its behalf.

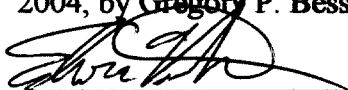

Notary Public for Oregon

My Commission Expires: June 28, 2008

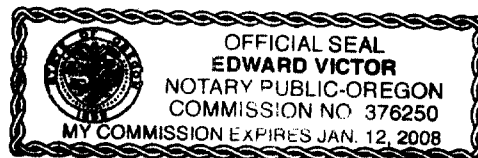


STATE OF OREGON)
)ss:
COUNTY OF KLAMATH)

The foregoing instrument was acknowledged before me this 12th day of July/August 2004, by Gregory P. Bessert, Manager of Southview Properties, LLC, on its behalf.


Notary Public for Oregon

My Commission Expires: 1/12/08



**LEGAL DESCRIPTION OF: SOUTHVIEW PLANNED UNIT
DEVELOPMENT: ORINDALE RESIDENTIAL DISTRICT**

A parcel of land situated in the E½ of Section 36, Township 38 South, Range 8 East of the Willamette Meridian, the NE¼ of Section 1 Township 39 South, Range 8 East of the Willamette Meridian, all in Klamath County, Oregon and being more particularly described as follows:

Beginning at a point on the north-south centerline of Section 36 from which the NW corner of the SW¼ NE¼ of said section bears North 00°11'27" East 427.59 feet; thence South 89°58'12" East 619.61 feet; thence South 27°18'39" East 3530.91 feet; thence South 62° 41' 21" West, 855.75 feet; thence North 27° 18' 39" West, 141.26 feet; thence South 62° 46' 00" West, 201.09 feet; thence North 27° 15' 14" West, 4.93 feet; thence South 62° 44' 46" West, 70.01 feet; thence North 27° 15' 14" West, 5.00 feet; thence South 62° 44' 46" West, 65.01 feet; thence South 27° 15' 14" East, 10.00 feet; thence South 62° 44' 46" West, 65.01 feet; thence North 27° 15' 14" West, 5.00 feet; thence South 62° 44' 46" West, 70.01 feet; thence North 27° 15' 14" West, 5.00 feet; thence South 62° 44' 46" West, 65.01 feet; thence South 27° 15' 14" East, 10.00 feet; thence South 62° 44' 46" West, 65.00 feet; thence North 27° 15' 14" West, 5.00 feet; thence South 62° 44' 46" West, 68.29 feet; thence South 56° 49' 49" West, 50.00 feet; thence South 34° 19' 57" West, 958.15 feet to the northerly right of way line of State Highway 140; thence, thence along said northerly right of way line, North 59° 17' 52" West, 58.76 feet; thence leaving said northerly right of way line North 36°42'45" West 329.35 feet to the north-south center section line of Section 1; thence along said center section line North 00°04'15" East, 722.87 feet to the ¼ corner common to Section 1 and Section 36; thence along the center section line of Section 36 North 00°11'27" East, 3508.58 feet to the point of beginning. Basis of bearings per CS #6513. containing 132.96 acres, more or less.