

05 MAR 1 AM 11:08

mtc-48560

RECORDATION REQUESTED BY:

Sterling Savings Bank  
Portland Private Banking  
9755 SW Barnes Road, Ste 480  
Portland, OR 97225

Vol M05 Page 13463

State of Oregon, County of Klamath  
Recorded 03/01/2005 11:08 a m  
Vol M05 Pg 13463-66  
Linda Smith, County Clerk  
Fee \$ 36.00 # of Pgs 4

WHEN RECORDED MAIL TO:

Sterling Savings Bank  
Loan Support  
PO Box 2131  
Spokane, WA 99210

SEND TAX NOTICES TO:

GARY SCOTT HOEPPNER AND MARGARET ANN HOEPPNER  
REVOCABLE TRUST  
970 SUNSET DR  
SPRINGFIELD, OR 97477

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated February 22, 2005, is made and executed between GARY SCOTT HOEPPNER and MARGARET ANN HOEPPNER, not personally but as Trustees on behalf of GARY SCOTT HOEPPNER AND MARGARET ANN HOEPPNER REVOCABLE\*TRUST ("Grantor") and Sterling Savings Bank, Portland Private Banking, 9755 SW Barnes Road, Ste 480, Portland, OR 97225 ("Lender"). *\*Living*

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated September 16, 2004 (the "Deed of Trust") which has been recorded in KLAMATH County, State of Oregon, as follows:

RECORDED SEPTEMBER 22, 2004 UNDER KLAMATH COUNTY AUDITOR'S FILE #63608. *mtc-48560*

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

See the exhibit or other description document which is attached to this Modification and made a part of this Modification as if fully set forth herein.

The Real Property or its address is commonly known as 19804, 19810, 19818, 19824 & 19842 HWY 58, CRESCENT LAKE, OR 97425. The Real Property tax identification number is 2406-001AA-00700-000 AND 2406-001AA-00800-000

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

NOTE OR CREDIT AGREEMENT DATED SEPTEMBER 16, 2004 IN THE PRINCIPAL AMOUNT OF \$250,000.00 AND NOTE OR CREDIT AGREEMENT DATED FEBRUARY 22, 2005 IN THE PRINCIPAL AMOUNT OF \$ 175,000.00 FROM GARY S HOEPPNER AND MARGARET A HOEPPNER TO LENDER, TOGETHER WITH ALL RENEWALS OF, EXTENSIONS OF, MODIFICATIONS OF, REFINANCINGS OF, CONSOLIDATIONS OF, AND SUBSTITUTIONS WITH A MATURITY DATE OF OCTOBER 1, 2014.

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.

FRAUDS DISCLOSURE. UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY US (LENDER) AFTER OCTOBER 3, 1989 CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWERS RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY US TO BE ENFORCEABLE.

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 FEBRUARY 22, 2005.

GRANTOR:

GARY SCOTT HOEPPNER AND MARGARET ANN HOEPPNER REVOCABLE TRUST

By: *Gary Scott Hoeppner*  
GARY SCOTT HOEPPNER, Trustee of GARY SCOTT  
HOEPPNER AND MARGARET ANN HOEPPNER  
REVOCABLE TRUST

By: *Margaret Ann Hoeppner*  
MARGARET ANN HOEPPNER, Trustee of GARY  
SCOTT HOEPPNER AND MARGARET ANN  
HOEPPNER REVOCABLE TRUST

LENDER:

STERLING SAVINGS BANK

x *Mandy Adams*  
Authorized Officer

3600

## TRUST ACKNOWLEDGMENT

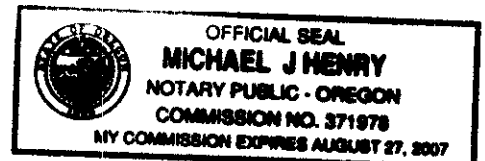
STATE OF OregonCOUNTY OF Lane)  
) SS  
)

On this 22nd day of February, 20 05, before me, the undersigned Notary Public, personally appeared GARY SCOTT HOEPPNER, Trustee of GARY SCOTT HOEPPNER AND MARGARET ANN HOEPPNER REVOCABLE TRUST, and known to me to be an authorized trustee or agent of the trust that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the trust, by authority set forth in the trust documents or, by authority of statute, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the trust.

By Michael J. Henry  
Notary Public in and for the State of Oregon

Residing at Portland, Ore  
My commission expires 8-27-2007

## TRUST ACKNOWLEDGMENT

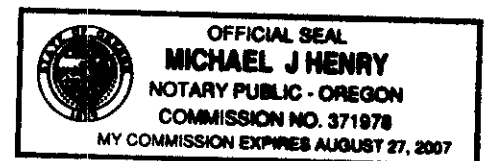
STATE OF OregonCOUNTY OF Lane)  
) SS  
)

On this 22nd day of February, 20 05, before me, the undersigned Notary Public, personally appeared MARGARET ANN HOEPPNER, Trustee of GARY SCOTT HOEPPNER AND MARGARET ANN HOEPPNER REVOCABLE TRUST, and known to me to be an authorized trustee or agent of the trust that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the trust, by authority set forth in the trust documents or, by authority of statute, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the trust.

By Michael J. Henry  
Notary Public in and for the State of Oregon

Residing at Portland, Oregon  
My commission expires 8-27-2007

## LENDER ACKNOWLEDGMENT

STATE OF OregonCOUNTY OF Washington)  
) SS  
)

On this 22nd day of February, 20 05, before me, the undersigned Notary Public, personally appeared MARK J. ADAMS and known to me to be the VICE PRESIDENT, 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 Michael J. Henry  
Notary Public in and for the State of Oregon

Residing at Portland, Ore  
My commission expires 8-27-2007

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

**PARCEL 1:**

A parcel of land lying on the Southwest side of Oregon State Highway 58, situate in the E1/2 NE1/4 NE1/4 of Section 1, Township 24 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon, and more particularly described as follows:

Beginning at a point, being a railroad spike set in asphalt along the Southwesterly right of way line of said Highway 58, 40 feet from the centerline thereof, from which the CENE/64 corner of Section 1 bears South 46° 44' 25" West 702.50 feet; thence along said right of way line, South 16° 19' 55" East 331.27 feet to a point, being a #5 x 30" steel rod; thence along a line at right angles to said highway, South 73° 40' 05" West 350.00 feet to a point, being a #5 x 30" steel rod; thence along a line parallel to said highway, North 16° 19' 55" West 314.39 feet to a point, being a #5 x 30" steel rod; thence along a line parallel to the Crescent Lake Road, North 74° 00' 56" East 210 feet to a point, being a #5 x 30" aluminum capped steel rod; thence along a line parallel to said Highway 58, North 16° 19' 55" West 19.00 feet to a point, being a #5 x 30" aluminum capped steel rod; thence along a line parallel to said Crescent Lake Road, North 74° 00' 56" East 140.00 feet to the point of beginning. With bearings based on Minor Land Partition 79-145 as filed in the Klamath County Engineer's Office.

Tax Account No: 2406-001AA-00700-000

Key No: 144123

**PARCEL 2:**

A parcel of land lying Southwest of Oregon State Highway 58, situate in the E1/2 NE1/4 NE1/4 of Section 1, Township 24 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon, and more particularly described as follows:

Beginning at a point, being the CENE/64 corner of Section 1 and being a 2 ½" x 32" brass capped steel pipe; thence along the EE/64 line of Section 1, North 00° 03' 56" East 315.22 feet to a point, being a #5 x 30" steel rod; thence along a line parallel to the Crescent Lane Road, North 74° 00' 56" East 187.36 feet to a point, being a #5 x 30" steel rod; thence along a line parallel to said Highway 58, South 16° 19' 55" East 314.39 feet to a point, being a #5 x 30" steel rod; thence along a line at right angles to said highway, North 73° 40' 05" East 350.00 feet to a point, being a #5 x 30" steel rod along the Southwesterly right of way line of said highway and 40 feet from the centerline thereof; thence along said right of way line, South 16° 19' 55" East 30.00 feet to a point, being a 2 ½" x 32" brass capped steel pipe; thence along a line at right angle to said highway, South 73° 40' 05" West 250.00 feet to a point, being a 1" square x 45" steel rod; thence along a line parallel to said highway, South 16° 19' 55" East 72.92 feet to a point, being a #6 x 75" steel rod along the N/16 line of Section 1; thence along said N/16 section line, North 89° 11' 45" West 395.63 feet to the point of beginning. With bearings based on Minor Partition 79-145 as filed in the Klamath County Engineer's Office.

Tax Account No: 2406-001AA-00700-000

Key No: 144123

(Legal description continued)

13466

PARCEL 3:

A tract of land situated in the NE1/4 NE1/4 of Section 1, Township 24 South, Range 6 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at the intersection of the Westerly line of Highway 58 and the South line of the NE1/4 NE1/4 of said section, thence Northwesterly along the Westerly line of Highway No. 58, 150 feet; thence Southwesterly on a line perpendicular to the Westerly right of way line of Highway No. 58, 250 feet; thence Southeasterly on a line parallel to the Westerly line of Highway 58, to the Southerly line of the property first hereinabove described; thence Easterly along the said South line to the point of beginning.

Tax Account No: 2406-001AA-00800-000

Key No: 144141