

mtc-1396-7189

M05-69976

RECORDATION REQUESTED BY:

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

Klamath County, Oregon

11/29/2005 10:29:01 AM

Pages 3 Fee: \$41.00

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

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST



THIS MODIFICATION OF DEED OF TRUST dated November 23, 2005, is made and executed between between FLS & B, LLC an Oregon Limited Liability Company ("Grantor") and South Valley Bank & Trust, whose address is 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 14, 2000 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded on June 29, 2000, in the Office of the Klamath County Clerk, Klamath Falls, OR Volume M00, Page 23824. Modified on October 31, 2003, in the Office of the Klamath County Clerk, Klamath Falls, OR Volume M03, Page 83270-72. Modified on November 30, 2004, in the Office of the Klamath County Clerk, Klamath Falls, OR Volume M04, Page 8336971.

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

See Exhibit "A", 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 531 - 533 S. 8th. St., Klamath Falls, OR 97601.

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

To extend the maturity to October 15, 2010.

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 NOVEMBER 23, 2005.

GRANTOR:

FLS & B, LLC

By: Brian Fitz Gerald
Brian Fitz Gerald, Manager of FLS & B, LLC

By: Steven A Lemarr
Steven Lemarr, Member of FLS & B, LLC

By: Richard Seltzer
Richard Seltzer, Member of FLS & B, LLC

LENDER:

SOUTH VALLEY BANK & TRUST

x [Signature]
Authorized Officer

AMERITITLE has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

3/10
11/29/05

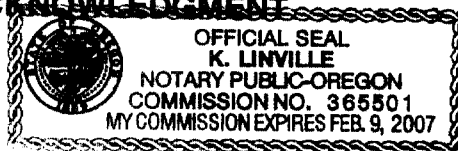


MODIFICATION OF DEED OF TRUST
(Continued)

Page 2

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Clatsop) SS

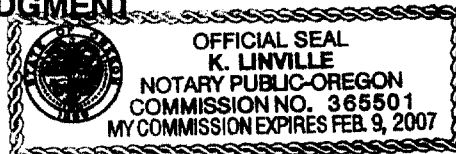


On this 23 day of November, 2005, before me, the undersigned Notary Public, personally appeared Brian Fitz Gerald, Manager; Richard Seltzer, Member; Steven Lemarr, Member of FLS & B, LLC, and known to me to be members or designated agents of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, 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 limited liability company.

By K. Linville Residing at Clatsop
Notary Public in and for the State of Oregon My commission expires 2-9-07

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Clatsop) SS



On this 23 day of November, 2005, before me, the undersigned Notary Public, personally appeared Jeffrey S. Bradford 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 K. Linville Residing at Clatsop Falls
Notary Public in and for the State of Oregon My commission expires 2-9-07

EXHIBIT 'A'
LEGAL DESCRIPTION

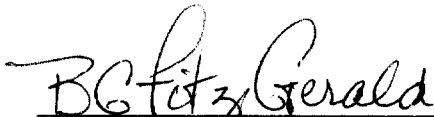
PARCEL 1

Lot 12 and the Southeasterly 13 feet of Lot 11, Block 2 of HOLLISTER ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

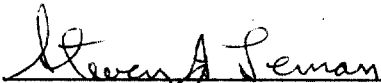
PARCEL 2

All of Lot 10 and the Northwesterly 13 feet of Lot 11, Block 2 of HOLLISTER ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

FLS & B, LLC



BRIAN FITZ GERALD, MEMBER - MANAGER



STEVEN LEMARR, MEMBER


RICHARD SELTZER, MEMBER