

RECORDATION REQUESTED BY:

Sterling Savings Bank
Klamath Falls Business Banking
540 Main St
Klamath Falls, OR 97601

M06-01530

Klamath County, Oregon

01/25/2006 03:10:59 PM

Pages 3 Fee: \$31.00

WHEN RECORDED MAIL TO:

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

SEND TAX NOTICES TO:

AMERICAN SANITATION, INC.
3020 VALE RD
KLAMATH FALLS, OR 97603

1st 746167

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated January 23, 2006, is made and executed between between AMERICAN SANITATION, INC. ("Grantor") and Sterling Savings Bank, whose address is Klamath Falls Business Banking, 540 Main St, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated March 15, 2005 (the "Deed of Trust") which has been recorded in KLAMATH County, State of Oregon, as follows:

RECORDED MARCH 17, 2005 UNDER KLAMATH COUNTY AUDITOR'S FILE VOL M05, PAGE 17479-85.

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 7246 AIRWAY DR, KLAMATH FALLS, OR 97603. The Real Property tax identification number is R582569.

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

TERMS OF THE NOTE ARE HEREBY AMENDED AS FOLLOWS: NOTE DATED JANUARY 23, 2006 IN THE PRINCIPAL AMOUNT OF \$94,489.48 AND NOTE DATED MARCH 15, 2005 IN THE PRINCIPAL AMOUNT OF \$30,783.00.

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 23, 2006.

GRANTOR:

AMERICAN SANITATION, INC.

By: John T. Garee Sr.
JOHN T. GAREE SR, President of AMERICAN
SANITATION, INC.

By: Jann Garee
JANN GAREE, Secretary of AMERICAN
SANITATION, INC.

LENDER:

STERLING SAVINGS BANK

X [Signature]
Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath

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) SS
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On this 25 day of January, 20 06, before me, the undersigned Notary Public, personally appeared JOHN T. GAREE SR, President of AMERICAN SANITATION, INC., and known to me to be an authorized agent 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 he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By [Signature]
Notary Public in and for the State of Oregon

Residing at Klamath County
My commission expires 11/7/09

31P

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 7001

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CORPORATE ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) SS

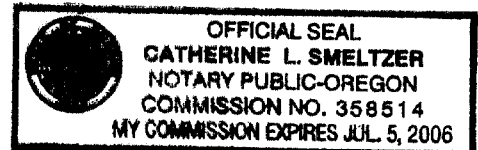


On this 25 day of January, 2006, before me, the undersigned Notary Public, personally appeared **JANN GAREE, Secretary of AMERICAN SANITATION, INC.**, and known to me to be an authorized agent of the corporation that executed the Modification of Deed of Trust and acknowledged the Modification to be the 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 he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By [Signature] Residing at Klamath County
Notary Public in and for the State of Oregon My commission expires 11/7/09

LENDER ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath)



On this 24th day of January, 2006, before me, the undersigned Notary Public, personally appeared Bethanie Halvorsen 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 Residing at Klamath Falls, OR
Notary Public in and for the State of Oregon My commission expires July 5, 2006

Exhibit "A"

Real property in the County of Klamath, State of Oregon, described as follows:

A tract of land situated in the NE ¼ NE ¼ of Section 24, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at an iron pin located West a distance of 674.1 feet and S 0°19' W a distance of 30.0 feet from the iron axle marking the Northeast corner of said Section 24, said beginning point being on the South boundary of Airway Avenue; thence S 0°19' W a distance of 270.9 feet to an iron pin on the Northerly boundary of the USRS Dixon Drain; thence N 75°18' W along said boundary a distance of 86.7 feet; thence N 0°19' E a distance of 248.9 feet to the South boundary of Airway Avenue; thence east along the South boundary of Airway a distance of 84.0 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM that portion conveyed to Klamath County, by Warranty Deed recorded July 15, 1975 in Volume M75, page 8015, Deed records of Klamath County, Oregon

Also, A tract of land situated in the NE 1/4 NE 1/4 of Section 24, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows: Beginning at a point which is West 529.0 feet and South 0°19' West 30.0 feet from the iron axle marking the Northeast corner; said beginning point being on the South boundary of Airway Drive; thence South 0°19' West 308.9 feet to a point on the Northerly boundary of the U.S.R.S. Dixon Drain; thence following said Northerly boundary North 75°18' West 149.8 feet to an iron pin; thence North 0°19' East 270.9 feet to an iron pin on the South boundary of Airway Drive; thence East along said South boundary 145.1 feet to the point of beginning.

Excepting therefrom that portion of the above described property included in a strip of land 50.00 feet in width, lying on the Southerly side of the centerline of the Southside Expressway, which centerline is described as follows: Beginning at Engineer's centerline Station 380+00, said station being 613.8 feet North and 1815.6 feet West of the Southeast corner of Section 13, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 54°05'31" East 631.77 feet; thence on a 1311.97 foot radius curve left (the long chord of which bears South 72°22'36.5" East) 837.38 feet; thence North 89°20'18" East 519.28 feet to Engineer's center line station 399+88.43.

Tax Parcel Number: R582569