

RETURN TO:
Brandsness, Brandsness & Rudd, P.C.
411 Pine Street
Klamath Falls, OR 97601

MODIFICATION OF TRUST DEED

DATED: April 4, 2006.

BETWEEN: KB Brewing, Inc., an Oregon corporation "Grantor"

AND R. C. Wendt, Trustee of the
R. C. Wendt Revocable Living Trust, "Beneficiary"

Pursuant to a Trust Deed dated March 16, 2005, recorded March 18, 2005, in Volume M05, Page 17759, ("the Trust Deed") Grantor conveyed to Beneficiary a security interest in the following-described real property located in Klamath County, Oregon:

See attached Exhibit "A"

On December 15, 2005, a Modification of Trust Deed was recorded in Volume M05, Page 71187, records of Klamath County, Oregon.

The Trust Deed is further modified in the following particulars only:

(a) The obligation of the Grantor to the Beneficiary is the sum of Three Hundred Seventy Thousand and no/100 Dollars (\$370,000.00) with such other future advances as may be evidenced by the promissory note; however, the sum of principal advanced shall not exceed \$450,000.00.

(b) The obligation of the Grantor to the Beneficiary evidenced by a promissory note dated March 16, 2005, remains payable in full (principal and interest) on demand.

(c) The insurance requirement provided in paragraph 4 of the Trust Deed is modified to be equal to the full insurable value of the improvement.

KB BREWING, INC.,
an Oregon corporation

By *Del A. Azevedo*
Del Azevedo, President

STATE OF OREGON)
) ss.
County of Klamath)

Personally appeared before me this 10th day of April, 2006, the above-named Del Azevedo as President of KB Brewing, Inc., an Oregon corporation, and acknowledged the foregoing instrument to be its voluntary act.

Karen A Baker
Notary Public for Oregon
My Commission expires: 9-20-09

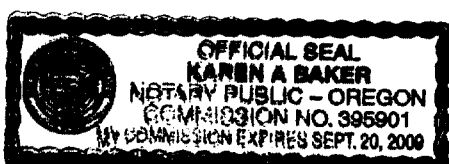


EXHIBIT "A"

Lots 7, 8, 9, 10 and a strip of land one foot wide off the Easterly side of Lot 11, Block 10, RAILROAD 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.

Tax Account No.: 3809-033BB-02100-000

Key No.: 415429