

MTC 12463-SH

RECORDATION REQUESTED BY:

PremierWest Bank
Black Oak Branch
2600 E. Barnett Road
Medford, OR 97504

M06-13435

Klamath County, Oregon

06/30/2006 03:08:39 PM

Pages 2 Fee: \$31.00

WHEN RECORDED MAIL TO:

PremierWest Bank
ATTN: Loan Assistant
2600 East Barnett
Medford, OR 97504

SEND TAX NOTICES TO:

F.B. Owen, Inc.
8787 John Day Drive
Gold Hill, OR 97525

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated June 27, 2006, is made and executed between between F. B. Owen, Inc., an Oregon Corporation ("Grantor") and PremierWest Bank, whose address is Black Oak Branch, 2600 E. Barnett Road, Medford, OR 97504 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated December 12, 2005 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Original Deed of Trust in the principal amount of \$1,649,961.00 originally recorded as Document No. M05-71025 on December 13, 2005, rerecorded as Document No. M05-71252 on December 16, 2005 in the Official Records of Klamath County, State of Oregon.

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 3950 Homedale Road, Klamath Falls, OR 97603. The Real Property tax identification number is 3909-011DB-00200-000, 3909-011DB-00300-000, & 3909-011DB-00500-000.

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

It is hereby agreed to extend the term of the Note from June 13, 2006 to September 13, 2006; that the following capitalized term has been redefined:

Grantor. The word "Grantor" means F.B. Owen, Inc.;
and that the vesting is now F. B. Owen, Inc., an Oregon Corporation.

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 JUNE 27, 2006.

GRANTOR:

F.B. OWEN, INC.

By:

Fred T. Owen, Jr.
Fred T. Owen, Jr., President of F.B. Owen, Inc.

By:

Barbara L. Owen
Barbara L. Owen, Secretary of F.B. Owen, Inc.

LENDER:

PREMIERWEST BANK

X

[Signature]
Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Jackson

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On this 28 day of June, 2006, before me, the undersigned Notary Public, personally appeared Fred T. Owen, Jr., President; Barbara L. Owen, Secretary of F.B. Owen, Inc., and known to me to be authorized agents 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 they are authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By

Tammy Icenhower
Notary Public in and for the State of Oregon

Residing at

Medford, OR
My commission expires June 5, 2009

31.00
26.00

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 523074507

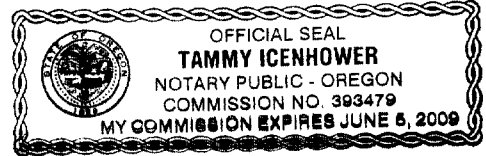
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LENDER ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Jackson

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On this 28 day of June, 2006, before me, the undersigned Notary Public, personally appeared Linda Eek and known to me to be the V.P. Manager, 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 Tammy Icenhower

Notary Public in and for the State of Oregon

Residing at Medford Oregon

My commission expires June 5 2009