

RECORDATION REQUESTED BY:

Bank of the Cascades
Medford Branch
1220 Corona, Suite 201
Medford, OR 97504

M06-13822

Klamath County, Oregon

07/10/2006 11:05:06 AM

Pages 2 Fee: \$26.00

WHEN RECORDED MAIL TO:

Bank of the Cascades
Medford Branch
1220 Corona, Suite 201
Medford, OR 97504

This document is being recorded as an
accommodation only. No information
contained herein has been verified.

Aspen Title & Escrow, Inc.

ASPEN: 16907

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated July 5, 2006, is made and executed between between DIAMOND KEY BUILDERS LLC, AN OREGON LIMITED LIABILITY COMPANY, whose address is 135 PINE LAKE DRIVE, EAGLE POINT, OR 97524 ("Grantor") and Bank of the Cascades, whose address is Medford Branch, 1220 Corona, Suite 201, Medford, OR 97504 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated June 17, 2005 (the "Deed of Trust") which has been recorded in KLAMATH County, State of Oregon, as follows: **M05-46006**

Recorded June 20, 2005 in ~~10/11/05~~ **10/11/05** page ~~1/1~~ **1/1** Klamath County Official Records.

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

LOT 1, BLOCK 1, TRACT NO. 1034, LAKEWOODS SUBDIVISION UNIT #1, ACCORDING TO THE OFFICIAL PLAT THEREOF ON FILE IN THE OFFICE OF THE CLERK OF KLAMATH COUNTY, OREGON

The Real Property or its address is commonly known as 7604 SKYCREST DRIVE, KLAMATH FALLS, OR 97601. The Real Property tax identification number is #3805005BO 02000.

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

Extend maturity date to September 30, 2007.

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 JULY 5, 2006.

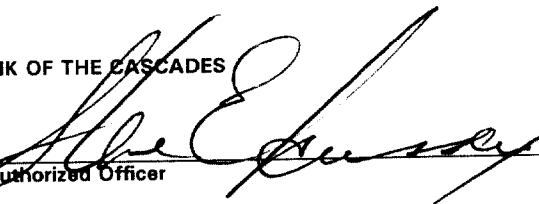
GRANTOR:

DIAMOND KEY BUILDERS LLC

By: 
GEORGE GARDNER, Member of DIAMOND KEY BUILDERS LLC

LENDER:

BANK OF THE CASCADES

X 
Authorized Officer

\$26.17

MODIFICATION OF DEED OF TRUST
(Continued)

Page 2

Loan No: 300005451

CORPORATE ACKNOWLEDGMENT

STATE OF Oregon

)
) SS
)

COUNTY OF Jackson



On this 5th day of July, 2006, before me, the undersigned Notary Public, personally appeared **GEORGE GARDNER, Member of DIAMOND KEY BUILDERS LLC**, 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 Wendy Francis Irwin
Notary Public in and for the State of Oregon

Residing at Medford

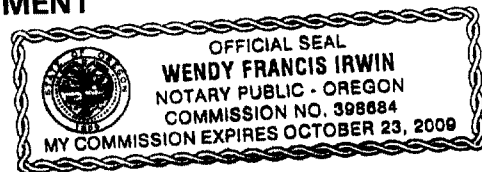
My commission expires 10/23/09

LENDER ACKNOWLEDGMENT

STATE OF Oregon

)
) SS
)

COUNTY OF Jackson



On this 5th day of July, 2006, before me, the undersigned Notary Public, personally appeared Steven Husey and known to me to be the _____, 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 Wendy Francis Irwin
Notary Public in and for the State of Oregon

Residing at Medford

My commission expires 10/23/09