

RECORDATION REQUESTED BY:

PremierWest Bank
Klamath Falls Branch
421 South 7th Street
P. O. Box 5016
Klamath Falls, OR 97601

M06-15355

Klamath County, Oregon

07/31/2006 11:56:30 AM

Pages 3 Fee: \$31.00

WHEN RECORDED MAIL TO:

PremierWest Bank
Klamath Falls Branch
421 South 7th Street
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

The Blomquist Family Trust uad 3/9/04
4611 Marsh Hawk Drive
Klamath Falls, OR 97601

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

1st-716289

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated July 31, 2006, is made and executed between between Larry J. Blomquist and Judy L. Blomquist, as Trustees of The Blomquist Family Trust uad 3/9/04 ("Grantor") and PremierWest Bank, whose address is Klamath Falls Branch, 421 South 7th Street, P. O. Box 5016, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated January 17, 2006 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Deed of Trust recorded January 24, 2006 in the Klamath County Recorders Office as document number M06-01412, in the amount of \$700,000.00.

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 2710 Washburn Way, Klamath Falls, OR 97603. The Real Property tax identification number is R531437.

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

It is hereby agreed to extend the maturity date to September 29, 2006.

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 31, 2006.

GRANTOR:

THE BLOMQUIST FAMILY TRUST UAD 3/9/04

By: [Signature] Trustee
Larry J. Blomquist, Trustee of The Blomquist Family
Trust uad 3/9/04

By: [Signature] Trustee
Judy L. Blomquist, Trustee of The Blomquist Family
Trust uad 3/9/04

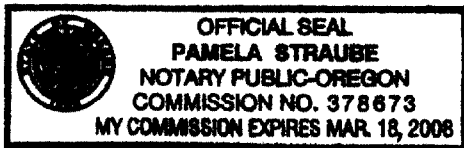
LENDER:

PREMIERWEST BANK

X [Signature]
Authorized Officer

TRUST ACKNOWLEDGMENT

STATE OF Oregon)
COUNTY OF Klamath) SS



On this 28th day of July, 20 06, before me, the undersigned Notary Public, personally appeared Larry J. Blomquist, Trustee; Judy L. Blomquist, Trustee of The Blomquist Family Trust uad 3/9/04, and known to me to be authorized trustees or agents of the trust that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the trust, by authority set forth in the trust documents or, by authority of statute, 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 trust.

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

Residing at 441 S. 7th St KF OR 97601
My commission expires 3/18/08

31-F

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 593075404

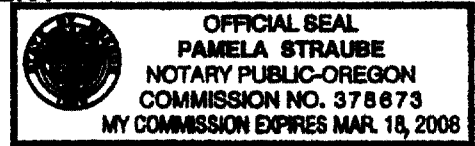
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LENDER ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath

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) SS
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On this 28th day of July, 2006, before me, the undersigned Notary Public, personally appeared Larry Parker and known to me to be the Authorized officer / Branch 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 Pamela Straube
Notary Public in and for the State of Oregon

Residing at 441 S. 7th St KE OR 97601
My commission expires 3/18/08

Exhibit "A"

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

A tract of land situated in Lot 3, Block 6 tract 1080, Washburn Park, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows: Beginning at the Northeast corner of said Lot 3 as marked by a 1/2 inch iron pin; thence South 00°04'50" West along the Westerly right of way line of Washburn Way 7.7 feet to the Point of Beginning; thence continuing South 00°04'50" West 212.3 feet; thence North 89°55'10" West parallel to the North line of said Lot 3, 250.00 feet; thence North 00°04'50" East 212.3 feet, which point is 7.7 feet South of the North line of Lot 3; thence South 89°55'10" East parallel to the North line of said Lot 3, 250.00 feet to the point of beginning on the Westerly right of way line of said Washburn Way, with bearings based on said Tract 1080, Washburn Park.

Tax Parcel Number: R531437