

2008-009264

Klamath County, Oregon

RECORDATION REQUESTED BY:

Umpqua Bank
Humboldt Commercial Loan Center
C/O Loan Support Services
PO Box 1580
Roseburg, OR 97470



06/24/2008 10:55:13 AM

Fee: \$41.00

WHEN RECORDED MAIL TO:

Umpqua Bank
PO BOX 1580
Roseburg, OR 97470

SEND TAX NOTICES TO:

Bettendorf Enterprises, Inc.
P.O. Box 4689
Arcata, CA 95518

C 224

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated May 28, 2008, is made and executed between Bettendorf Enterprises, Inc., a California corporation ("Grantor") and Umpqua Bank, whose address is Humboldt Commercial Loan Center, C/O Loan Support Services, PO Box 1580, Roseburg, OR 97470 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated April 26, 2005 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded May 10, 2005 in Volume M05 Page 33851 in the Official Records of Klamath County, Oregon. The Current Loan Obligation may have been previously modified, and all prior modifications, if any, are hereby acknowledged, ratified and confirmed.

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 6303 Washburn Way, Klamath Falls, OR 97603. The Real Property tax identification number is R582122 R-3909-02200-00300-000.

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

Maturity date of Note is May 2, 2009.

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.

ATTORNEY FEES AND EXPENSES. The undersigned agrees to pay on demand all of Lender's costs and expenses, including Lender's attorney fees and legal expenses, incurred in connection with enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement. Lender may also use attorneys who are salaried employees of Lender to enforce this Agreement. The undersigned shall pay all costs and expenses of all such enforcement. In the event arbitration, suit, action or other legal proceeding is brought to interpret or enforce this Agreement, the undersigned agrees to pay all additional sums as the arbitrator or court may adjudge reasonable as Lender's costs, disbursements, and attorney fees at hearing, trial, and on any and all appeals. As used in this paragraph "Agreement" means the loan agreement, promissory note, guaranty, security agreement, or other agreement, document, or instrument in which this paragraph is found, even if this document is also described by another name. Whether or not an arbitration or court action is filed, all reasonable attorney fees and expenses Lender incurs in protecting its interests and/or enforcing this Agreement shall become part of the Indebtedness evidenced or secured by this Agreement, shall bear interest at the highest applicable rate under the promissory note or credit agreement, and shall be paid to Lender by the other party or parties signing this Agreement on demand. The attorney fees and expenses covered by this paragraph include without limitation all of Lender's attorney fees (including the fees charged by Lender's in-house attorneys, calculated at hourly rates charged by attorneys in private practice with comparable skill and experience), Lender's fees and expenses for bankruptcy proceedings (including efforts to modify, vacate, or obtain relief from any automatic stay), fees and expenses for Lender's post-judgment collection activities, Lender's cost of searching lien records, searching public record databases, on-line computer legal research, title reports, surveyor reports, appraisal reports, collateral inspection reports, title insurance, and bonds issued to protect Lender's collateral, all to the fullest extent allowed by law.

WAIVE JURY. All parties hereby waive the right to any jury trial in any action, proceeding or counterclaim brought by any party against any other party.

APPRAISAL. If at any time during the term of this Deed of Trust the Lender, in the reasonable exercise of its judgment, determines that it is likely that there has been a material adverse change in the value of the Real Property, Lender may obtain, at Borrower's expense, an appraisal of the Real Property prepared by an appraiser satisfactory to Lender and in a form and substance satisfactory to Lender.

VENUE. The loan transaction that is evidenced by this Agreement has been applied for, considered, approved and made in the State of California. If there is a lawsuit relating to this Agreement, the undersigned shall, at Lender's request, submit to the jurisdiction of the courts of Sacramento County, California except and only to the extent of procedural matters related to Lender's perfection and enforcement of its rights and remedies against the collateral for the loan, if the law requires that such a suit be brought in another jurisdiction. As used in this paragraph, the term "Agreement" means the promissory note, guaranty, security agreement or other agreement, document or instrument in which this

F H6

MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 128100517

paragraph is found, even if this document is described by another name, as well.

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 MAY 28, 2008.

GRANTOR:

BETTENDORF ENTERPRISES, INC.

By: Monty E. Bettendorf
Monty E. Bettendorf, President of Bettendorf Enterprises, Inc.

By: Ronald L. Borges
Ronald L. Borges, Secretary of Bettendorf Enterprises, Inc.

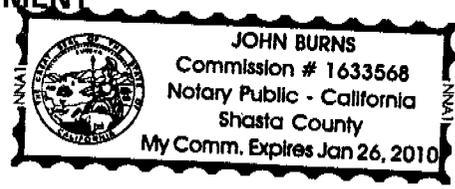
LENDER:

UMPQUA BANK

x Lana Steg
Authorized Officer

CORPORATE ACKNOWLEDGMENT

STATE OF California)
) SS
COUNTY OF Shasta)



On this 6 day of June, 2008, before me, the undersigned Notary Public, personally appeared Monty E. Bettendorf, President of Bettendorf Enterprises, Inc. and Ronald L. Borges, Secretary of Bettendorf Enterprises, 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 John Burns Residing at Redding, California
Notary Public in and for the State of California My commission expires 1-26-2010

LENDER ACKNOWLEDGMENT

STATE OF _____)
) SS
COUNTY OF _____)

SEE CA Acknow ATTACHED

On this _____ day of _____, 20____, before me, the undersigned Notary Public, personally appeared _____ and known to me to be the _____, authorized agent for Umpqua Bank that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of Umpqua Bank, duly authorized by Umpqua Bank 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 in fact executed this said instrument on behalf of Umpqua Bank.

By _____ Residing at _____
Notary Public in and for the State of _____ My commission expires _____

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Humboldt }

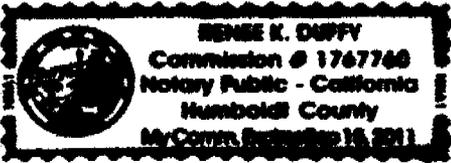
On June 2, 2008 before me, Renee K. Duffy, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Ronald L. Borges, Secretary of Behendorf Ent., Inc
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature Renee K. Duffy
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

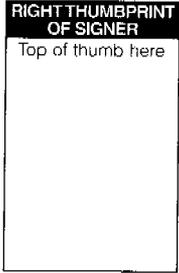
Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

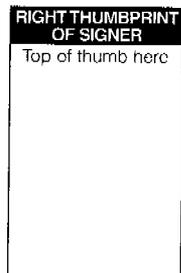
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

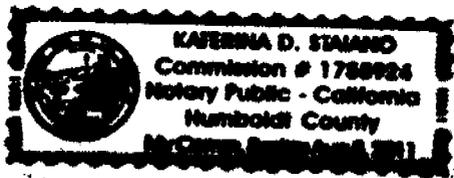
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of HUMBOLDT

On 6-13-2008 before me, KATERINA D. STAIANO, NOTARY PUBLIC

personally appeared DANA GREGG



COM. # 1755924
EXP. 8-5-2011
ENDOR # : NNA I

Place Notary Seal Above

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Katerina D. Staiano
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: NOTIFICATION OF DIT

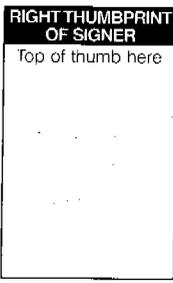
Document Date: 5-28-2008 Number of Pages: 3

Signer(s) Other Than Named Above: KONTY BETTENDORF, RONALD BERGES

Capacity(ies) Claimed by Signer(s)

Signer's Name: DANA GREGG

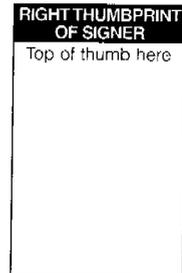
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: URIPQUA BANK

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1

A parcel of land situated in the NW 1/4 NW 1/4 of Section 22, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at a cased monument marking the Southwest corner of said NW 1/4 NW 1/4 of Section 22, said monument being the intersection of the centerlines of Washburn Way and Joe Wright Road; thence North 0 degrees 14' East along the centerline of Washburn Way a distance of 415.5 feet to a point; thence South 89 degrees 25' East a distance of 30.0 feet to a 5/8" iron pin marking the true point of beginning of this description; thence continuing South 89 degrees 25' East a distance of 291.55 feet to the Southwesterly right of way line of the Modoc Northern Railroad; thence North 33 degrees 33' 30" West along said right of way line a distance of 524.15 feet to a point on the East line of Washburn Way; thence South 0 degrees 14' West along said East line a distance of 433.85 feet, more or less to the true point of beginning.

PARCEL 2

A parcel of land situated in the NW 1/4 NW 1/4, Section 22, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at an iron pin on the Easterly right of way line of Washburn Way as the same is presently located and constructed, from which point the monument marking the Northwest corner of said Section 22 bears North 89 degrees 25' West 30.0 feet and North 0 degrees 14' East 921.6 feet distant; thence South 0 degrees 14' West along said Easterly right of way line 385.5 feet to its intersection with the Northerly right of way line of Joe Wright Road as the same is presently located and constructed; thence South 89 degrees 25' East along said Northerly right of way line 550.55 feet to its intersection with the Southwesterly right of way line of the Modoc Northern Railroad as the same is presently located and constructed; thence North 33 degrees 33' 30" West along said Southwesterly railroad right of way line 465.75 feet to an iron pin; thence North 89 degrees 25' West 291.55 feet to the point of beginning.

EXCEPTING THEREFROM a tract of land located in NW 1/4 NW 1/4 of Section 22, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Commencing at the North 1/16 corner common to Section 21 and 22; thence North 00 degrees 33' 20" East, along the centerline of Washburn Way, 30.00 feet; thence South 89 degrees 09' 55" East 30.00 feet to the intersection of the East boundary of Washburn Way with the North boundary of Joe Wright Road for the true point of beginning of this description; thence South 89 degrees 09' 55" East, along the North boundary of Joe Wright Road, 25.00 feet; thence North 44 degrees 18' 10" West, 35.44 feet to the East boundary of Washburn Way, thence South 00 degrees 33' 20" West, along the East boundary of Washburn Way, 25.00 feet to the true point of beginning, containing 312 square feet, more or less; the basis of bearings for this description is Survey No. 2604 on file in the office of the Klamath County Surveyor.