

2009-005867

Klamath County, Oregon



00065033200900058670030036

04/28/2009 03:19:47 PM

Fee: \$36.00

Recording Requested By,
And After Recording, Return To:
WELLS FARGO BANK,
NATIONAL ASSOCIATION
1740 Broadway
Denver, CO 80217
MAC C7300-033
Attn: Loan Documentation

Tax Account Number(s) of
Subject Property: R585833

1st 1223903

FIRST MODIFICATION OF DEED OF TRUST AND
ASSIGNMENT OF RENTS AND LEASES

THIS MODIFICATION (this "Modification") is entered into as of May 1, 2009, by and between PAPE' PROPERTIES, INC. an Oregon corporation ("Grantor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION ("Beneficiary").

RECITALS

This Modification is entered into upon the basis of the following facts and understandings of the parties:

A. This Modification pertains to that certain Deed of Trust and Assignment of Rents and Leases dated as of August 5, 2008, executed by Grantor to WELLS FARGO FINANCIAL NATIONAL BANK as Trustee, in favor of Beneficiary, and recorded on August 14, 2008, in reception No. 2008-011566 of the Records of Klamath County, Oregon ("Deed of Trust").

B. The obligations secured by the Deed of Trust have been modified, and Grantor and Beneficiary have agreed to modify the Deed of Trust to accurately reflect the obligations secured thereby. Certain additional obligations have been or are to be incurred which are to be secured by the Deed of Trust, and Grantor and Beneficiary have agreed to modify the Deed of Trust to reflect said additional obligations as secured thereby.

NOW, THEREFORE, the parties hereto agree as follows:

1. The Deed of Trust is hereby modified to reflect as obligations secured thereby and included in the definition of Secured Obligations therein, in addition to any other Secured Obligations defined therein or arising thereunder, the payment to Beneficiary of all indebtedness and performance of all obligations evidenced by and arising under:

(i) a promissory note dated as of February 2, 2001, executed by Trustor and payable to Beneficiary or its order, and finally maturing on February 28, 2011, in the principal amount of \$990,000.00 (which promissory note is currently secured by the Deed of Trust); and

(ii) a promissory note dated as of May 1, 2009, executed by Trustor and payable to Beneficiary or its order, and finally maturing on May 1, 2014, in the principal amount of \$28,415,000.00 (which

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promissory note represents a refinancing of all the promissory notes currently secured by the Deed of Trust, other than the note described in clause (i);

together with interest thereon, and any such indebtedness or other obligations incurred under or in connection with the credit accommodation evidenced by said promissory notes, even if not specifically referenced therein.

2. The Deed of Trust is hereby modified to reflect as obligations secured thereby and included in the definition of Secured Obligations therein, in addition to any other Secured Obligations defined therein or arising thereunder, the payment to Beneficiary of all liability, whether liquidated or unliquidated, defined, contingent, conditional or of any other nature whatsoever, and performance of all other obligations, arising under any swap, derivative, foreign exchange or hedge transaction or arrangement (or other similar transaction or arrangement howsoever described or defined) at any time entered into with Beneficiary in connection with any Secured Obligation.

3. The real property and the whole thereof described in the Deed of Trust shall remain subject to the lien, charge or encumbrance of the Deed of Trust and nothing herein contained or done pursuant hereto shall affect or be construed to affect the liens, charges or encumbrances of the Deed of Trust, or the priority thereof over other liens, charges or encumbrances, or to release or affect the liability of any party or parties who may now or hereafter be liable under or on account of said promissory notes and/or the Deed of Trust.

4. All terms and conditions of the Deed of Trust not expressly modified herein remain in full force and effect, without waiver or amendment. This Modification and the Deed of Trust shall be read together, as one document.

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be executed as of the day and year first above written.

BENEFICIARY:

WELLS FARGO BANK,
NATIONAL ASSOCIATION

By: 

Eric R. Eidler, Relationship Manager

GRANTOR:

PAPE' PROPERTIES, INC.

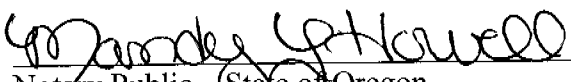
By: 

Robert J. Riecke, President/Secretary

OBTAIN NOTARY ACKNOWLEDGMENTS

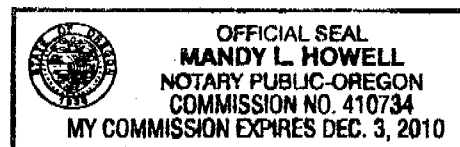
State of OREGON
County of Lane

This instrument was acknowledged before me on **April 23, 2009**, by **Eric R. Eidler** as
Vice President of Wells Fargo Bank, National Association.



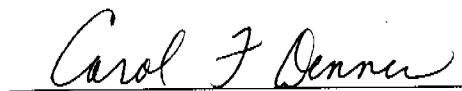
Notary Public - State of Oregon

My commission expires: 12-3-2010



State of OREGON
County of Lane

This instrument was acknowledged before me on **April 23, 2009**, by **Robert J. Riecke** as
President/Secretary of Pape' Properties Inc.



Notary Public - State of Oregon

My commission expires: 02-03-2012

