

1396-10026

2010-005273

Klamath County, Oregon

RECORDATION REQUESTED BY:

South Valley Bank & Trust
Commercial Branch
P O Box 5210
Klamath Falls, OR 97601



00083552201000052730030038

05/04/2010 03:17:13 PM

Fee: \$47.00

WHEN RECORDED MAIL TO:

South Valley Bank & Trust
Commercial Branch
P O Box 5210
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

South Valley Bank & Trust
Commercial Branch
P O Box 5210
Klamath Falls, OR 97601

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST



THIS MODIFICATION OF DEED OF TRUST dated April 30, 2010, is made and executed between Happy Ranch Enterprises, LLC, an Oregon limited liability company ("Grantor") and South Valley Bank & Trust, whose address is Commercial Branch, P O Box 5210, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated May 5, 2006 (the "Deed of Trust").

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 217-219 N 5th Street, Klamath Falls, OR 97601. The Real Property tax identification number is R-3809-032AB-12000-000.

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

Restucture and payoff to term loan, new Promissory Note #831347142, extended maturity date to April 30, 2013.

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 and 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.

DUE ON SALE-CONSENT BY LENDER. Due On Sale-Consent By Lender. Lender may, at lender's option, declare immediately due and payable all sums secured by this Deed of Trust upon the sale or transfer, without Lender's prior written consent, of all and any part of the Real Property, or any interest in the Real Property. A "sale or transfer" means the conveyance of Real Property or any right, title or interest in the Real Property; whether legal, beneficial or equitable; whether voluntary or involuntary; whether by outright sale, deed, installment sale contract, land contract, contract for deed, leasehold interest with a term greater than three (3) years, lease-option contract, or by sale, assignment, or transfer of any beneficial interest in or to any land trust holding title to the Real Property, or by any other method of conveyance of an interest in the Real Property, or by any other method of conveyance of an interest in the Real Property. If any Grantor is a corporation, partnership or limited liability company, transfer also includes any change in ownership of more than twenty-five percent (25%) of the voting stock, partnership interests or limited liability company interests, as the case may be, of such Grantor. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law or by Oregon law.

CROSS-COLLATERALIZATION. In addition to the Note, this Agreement secures all obligations, debts and liabilities, plus interest thereon, of Grantor to Lender, or any one or more of them, as well as all claims by Lender against Grantor or any one or more of them, whether now existing or hereafter arising, whether related or unrelated to the purpose of the Note, whether voluntary or otherwise, whether due or not due, direct or indirect, absolute or contingent, liquidated or unliquidated and whether Grantor may be liable individually or jointly with others, whether obligated as guarantor, surety, accommodation party or otherwise, and whether recovery upon such amounts may be or hereafter may become barred by any statute of limitations, and whether the obligation to repay such amounts may be or hereafter may become otherwise unenforceable.

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 APRIL 30, 2010.

GRANTOR:

HAPPY RANCH ENTERPRISES, LLC

By: Craig S. McGeary
Craig S. McGeary, Member of Happy Ranch Enterprises, LLC

By: Deborah McGeary
Deborah McGeary, Member of Happy Ranch Enterprises, LLC

LENDER:

SOUTH VALLEY BANK & TRUST

x Jessa Koch
Authorized Officer

AMERITITLE has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

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MODIFICATION OF DEED OF TRUST
(Continued)

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LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF OREGON

COUNTY OF KLAMATH

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On this 30TH day of APRIL, 20 10, before me, the undersigned Notary Public, personally appeared **Craig S. McGeary, Member of Happy Ranch Enterprises, LLC and Deborah McGeary, Member of Happy Ranch Enterprises, LLC**, and known to me to be members or designated agents of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement 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 limited liability company.

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

Residing at Klamath Falls, Oregon 97601
My commission expires 5/11/2010

LENDER ACKNOWLEDGMENT

STATE OF OREGON

COUNTY OF KLAMATH

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On this 30TH day of APRIL, 20 10, before me, the undersigned Notary Public, personally appeared **Tessa Koch** and known to me to be the **Commercial Loan Officer**, authorized agent for **South Valley Bank & Trust** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **South Valley Bank & Trust**, duly authorized by **South Valley Bank & Trust** 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 **South Valley Bank & Trust**.

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

Residing at Klamath Falls, Oregon 97601
My commission expires 5/11/2010


EXHIBIT "A"
LEGAL DESCRIPTION


A portion of Lots 3 and 4 in Block 9 of the Original Town of Linkville, now City of Klamath Falls, Oregon, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, described as follows:

Beginning at the Southwesterly corner of Lot 4, being the corner of 5th and Pine Streets, thence Northwesterly along the Northeasterly line of 5th Street 70 feet to the true point of beginning of this description; thence continuing Northwesterly along the Northeasterly line of 5th Street 50 feet to the Westerly corner of Lot 4; thence Northeasterly along the Northerly line of Lots 3 and 4, 70 feet; thence Southeasterly and parallel with 5th Street, 50 feet; thence Southwesterly and parallel with Pine Street 70 feet, more or less, to the point of beginning.

Tax Account No: 3809-032AB-12000-000

Key No: 412592


Deborah McGeary, Member of Happy
Ranch Enterprises, LLC


Craig S. McGeary, Member of Happy
Ranch Enterprises, LLC