



2017-002540
Klamath County, Oregon
03/09/2017 03:57:01 PM
Fee: \$77.00

RECORDATION REQUESTED BY:

Umpqua Bank
CBC Tehama
C/O Loan Support Services
PO Box 1580
Roseburg, OR 97470

WHEN RECORDED MAIL TO:

Umpqua Bank
PO Box 1580
Roseburg, OR 97470

SEND TAX NOTICES TO:

MDLN Properties, LLC
1459 Depot Rd
Malin, OR 97632-0417

FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated February 28, 2017, is made and executed between MDLN Properties, LLC, an Oregon Limited Liability Company, whose address is 1459 Depot Rd, Malin, OR 97632-0417 ("Grantor") and Umpqua Bank, whose address is CBC Tehama, 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 September 20, 2016 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded on September 21, 2016 as Instrument no. 2016-010035 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 the exhibit or other description document 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 24221 and 24225 State Line Road, Malin, OR 97632; 24669 Adam Point Road and 23852 Gaines Road, Merrill, OR 97633. The Real Property tax identification number is R106753, R106824, R106860, R106851, R106762, R106833, R895030, R106799.

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

Extend Maturity Date to January 5, 2018 and Modify Definition of Note.

The word "Note" means the Note executed by Baley-Trotman Farms in the original principal amount of \$575,000.00 dated October 22, 2012 as loan no. 70007322; the Note executed by Baley-Trotman Farms in the original principal amount of \$8,546,947.00 dated June 4, 2015 as loan no. 070047188; the Note executed by Baley-Trotman Farms, Lon E. Baley and Mark R. Trotman in the original principal amount of \$8,151,358.00 dated September 15, 2016 as loan no. 747189995; the Note executed by Baley-Trotman Farms, Lon E. Baley and Mark R. Trotman in the original principal amount of \$8,080,508.00 dated February 28, 2017 as loan no. 747010289; the Note executed by B-T Healthy Farms, LLC and Baley-Trotman Farms in the original principal amount of \$595,462.00 dated September 15, 2016 as loan no. 747197097; the Note executed by B-T Healthy Farms, LLC and Baley-Trotman Farms in the original principal amount of \$250,000.00 dated March 01, 2017 as loan no. 747010468; the Note executed by Cascade Seed Potato Co., LLC and Baley-Trotman Farms in the original principal amount of \$695,169.00 dated September 15, 2016 as loan no. 747196451; the Note executed by Cascade Seed Potato Co., LLC and Baley-Trotman Farms in the original principal amount of \$880,000.00 dated March 01, 2017 as loan no. 747021066; the Note executed by Mark R. Trotman in the original principal amount of \$300,000.00 dated July 26, 2013 as loan no. 70018810; the Note executed by Lon E. Baley in the original principal amount of \$300,000.00 dated July 26, 2013 as loan no. 70018804; the Note executed by MDLN Properties, LLC in the original principal amount of \$2,100,000.00 dated December 21, 2012 as loan no. 70007090; the Note executed by MDLN Properties, LLC in the original principal amount of \$348,500.00 dated December 27, 2011 as loan no. 68921692; and the Note executed by MDLN Properties, LLC in the original principal amount of \$225,000.00 dated July 21, 2011 as loan no. 68915262, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

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.

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.

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.

MODIFICATION OF DEED OF TRUST (Continued)

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.

INCONSISTENT STATE AND FEDERAL LAWS. From time to time, state and federal laws are inconsistent such that an activity permitted under state law is prohibited under federal law, or vice versa. As noted elsewhere in this Agreement, Grantor shall at all times comply with all governmental requirements, both federal and state, and cause all tenants, agents and other users of the Property or Collateral to so comply. For example, although the retail sale or distribution of marijuana products is allowed under law in some states, it is now prohibited under the federal Controlled Substances Act and Grantor must comply, and cause tenants, agents and other users to comply, with federal law in this instance.

SURETYSHIP WAIVERS. Except as prohibited by applicable law, Grantor waives any right to require Lender: (a) to continue lending money or to continue to extend other credit to Borrower; (b) to obtain Grantor's consent to any modification or extension of the Indebtedness (except an increase in the principal to be advanced under the Note); (c) to resort for payment or to proceed directly or at once against any person, including Borrower or any Guarantor; (d) to proceed directly against or exhaust any collateral held by Lender from Borrower, any Guarantor or any other person; and (e) to pursue any other remedy within Lender's power. Except as prohibited by law, Grantor also waives: any and all rights or defenses based on suretyship, if applicable, or impairment of collateral or any law which may prevent Lender from bringing any action, including a claim for deficiency, before or after Lender's commencement or completion of any foreclosure action, either judicially or by exercise of a power of sale; any election of remedies by Lender, which destroys or otherwise adversely affects Grantor's subrogation rights or Grantor's rights to proceed against Borrower, if applicable, for reimbursement; any right to claim discharge of the Indebtedness on the basis of unjustified impairment of any collateral for the Indebtedness or based upon any extension, modification, adjustment, restatement, substitution or amendment of the Note or any other document that evidences the Indebtedness, which is made without Grantor's consent.

ERRORS AND OMISSIONS. Grantor and Borrower shall if requested by Lender or Lender's closing agent fully cooperate with Lender to adjust and correct clerical errors or omissions on any Loan documents and closing documents if Lender in its reasonable discretion, deems it necessary or desirable to maintain compliance with existing laws and regulations or to fulfill the intent of the parties relating to this Loan.

VENUE. The loan transaction that is evidenced by this Agreement has been applied for, considered, approved and made in the State of Oregon. If there is a lawsuit relating to this Agreement, the undersigned shall, at Lender's request, submit to the jurisdiction of the courts of Lane, Douglas or Washington County, Oregon, as selected by Lender, in its sole discretion, 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 paragraph is found, even if this document is described by another name, as well.

ARBITRATION. Borrower and Lender agree that all disputes, claims and controversies between them, arising from this Note or otherwise, including without limitation contract and tort disputes, shall be brought in their individual capacities and not as a plaintiff or class member in any purported class or representative proceeding and, upon request of either party, shall be arbitrated pursuant to the rules of (and by filing a claim with) Arbitration Service of Portland, Inc., in effect at the time the claim is filed. No act to take or dispose of any collateral securing this Note shall constitute a waiver of this arbitration agreement or be prohibited by this arbitration agreement. This includes, without limitation, obtaining injunctive relief or a temporary restraining order; invoking a power of sale under any deed of trust or mortgage; obtaining a writ of attachment or imposition of a receiver; or exercising any rights relating to personal property, including taking or disposing of such property with or without judicial process pursuant to Article 9 of the Uniform Commercial Code. Any disputes, claims, or controversies concerning the lawfulness or reasonableness of any act, or exercise of any right, concerning any collateral securing this Note, including any claim to rescind, reform, or otherwise modify any agreement relating to the collateral securing this Note, shall also be arbitrated, provided however that no arbitrator shall have the right or the power to enjoin or restrain any act of any party. Borrower and Lender agree that in the event of an action for judicial foreclosure pursuant to California Code of Civil Procedure Section 726, or any similar provision in any other state, the commencement of such an action will not constitute a waiver of the right to arbitrate and the court shall refer to arbitration as much of such action, including counterclaims, as lawfully may be referred to arbitration. Judgment upon any award rendered by any arbitrator may be entered in any court having jurisdiction. Nothing in this Note shall preclude any party from seeking equitable relief from a court of competent jurisdiction. The statute of limitations, estoppel, waiver, laches, and similar doctrines which would otherwise be applicable in an action brought by a party shall be applicable in any arbitration proceeding, and the commencement of an arbitration proceeding shall be deemed the commencement of an action for these purposes. The Federal Arbitration Act shall apply to the construction, interpretation, and enforcement of this arbitration provision.

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.

MODIFICATION OF DEED OF TRUST
(Continued)

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 FEBRUARY 28, 2017.

GRANTOR:

MDLN PROPERTIES, LLC

By: Mark R. Trotman member
Mark R. Trotman, Member of MDLN Properties, LLC

By: Dawn Trotman
Dawn Trotman, Member of MDLN Properties, LLC

By: Lon E. Baley
Lon E. Baley, Member of MDLN Properties, LLC

By: Nancy Baley member
Nancy Baley, Member of MDLN Properties, LLC

LENDER:

UMPQUA BANK

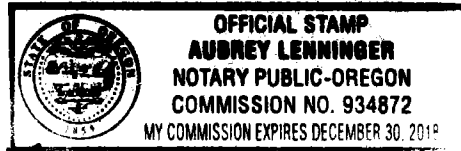
X [Signature]
Authorized Officer

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Oregon

COUNTY OF Klamath

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On this 28 day of March, 2017, before me, the undersigned Notary Public, personally appeared Mark R. Trotman, Member of MDLN Properties, LLC, and known to me to be a member or designated agent 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 he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the limited liability company.

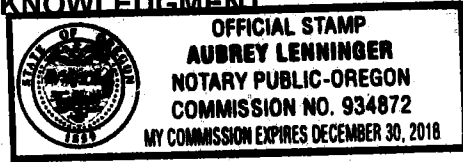
By: [Signature]
Notary Public in and for the State of Oregon

Residing at 510 Main St Klamath Falls, OR
My commission expires Dec 30, 2018

MODIFICATION OF DEED OF TRUST
(Continued)

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Oregon)
)
COUNTY OF Klamath) SS
)



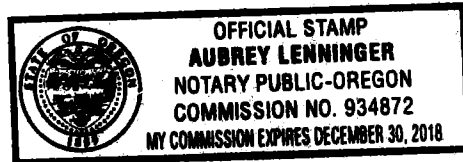
On this 9th day of March, 20 17, before me, the undersigned Notary Public, personally appeared Dawn Trotman, Member of MDLN Properties, LLC, and known to me to be a member or designated agent of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification 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 he or she is 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 510 main st Klamath Falls, OR
My commission expires DEC 30, 2018

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Oregon)
)
COUNTY OF Klamath) SS
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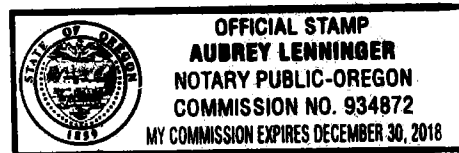
On this 9th day of March, 20 17, before me, the undersigned Notary Public, personally appeared Lon E. Baley, Member of MDLN Properties, LLC, and known to me to be a member or designated agent of the limited liability company that executed the Modification of Deed of Trust and acknowledged the Modification 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 he or she is 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 510 main st Klamath Falls, OR
My commission expires DEC 30, 2018

LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Oregon)
)
COUNTY OF Klamath) SS
)



On this 9th day of March, 20 17, before me, the undersigned Notary Public, personally appeared Nancy Baley, Member of MDLN Properties, LLC, and known to me to be a member or designated agent 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 he or she is 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

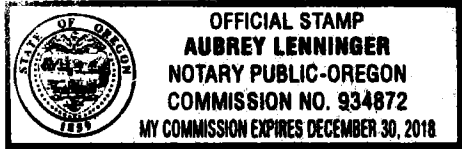
Residing at 510 main st Klamath Falls, OR
My commission expires DEC 30, 2018

MODIFICATION OF DEED OF TRUST
(Continued)

LENDER ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath

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) SS
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On this 9th day of March, 2017 before me, the undersigned Notary Public, personally appeared Jeff Viera and known to me to be the Tehama CRC manager 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 [Signature]
Notary Public in and for the State of Oregon

Residing at 940 main st Klamath Falls, OR
My commission expires Dec 30, 2018

EXHIBIT "A"
LEGAL DESCRIPTION - OREGON PROPERTIES

PARCEL 1:

Government Lots 27, 28, 35 and 36 in Section 13, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, SAVING AND EXCEPTING any portion lying within the USBR Canal right of way.

PARCEL 2:

Farm Unit "Q" according to the Farm Unit Plat, or the Government Lots 7, 19, 21 and the West half of Government Lot 10 of Section 14, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon. EXCEPTING the right of way heretofore reserved by the United States of America for the "J-6" and the "J" Canals. ALSO EXCEPTING THEREFROM that portion lying within the Stateline Road right of way.

PARCEL 3:

The S1/2, S1/2 N1/2 and S1/2 N1/2 N1/2 of Government Lot 12 and all of Government Lot 19, of Section 15, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, SAVING AND EXCEPTING THEREFROM any portion within laterals, drains and County Roads."

PARCEL 4:

The S1/2, S1/2 N1/2, S1/2 N1/2 N1/2 of Government Lot 5, the N1/2 N1/2 N1/2 of Government Lot 12 Section 14, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County. SAVING AND EXCEPTING THEREFROM any portion lying within Adams Point Road or Stateline Road right of way

PARCEL 5:

Government Lots 29, 30, 33, 34 in Section 13, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, EXCEPTING THEREFROM that portion used for U.S.B.R. "J" Canal.

PARCEL 6:

Farm Unit "N", according to the Farm Unit Plat, or the S1/2, S1/2 N1/2, E1/2 N1/2 N1/2, W1/2 S1/2 N1/2 N1/2 of Government Lot 11, the Government Lot 14, and the E1/2 S1/2, E1/2 S1/2 N1/2, E1/2 S1/2 N1/2 N1/2 of Government Lot 6 of Section 14, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, ALSO

The East 20 acres of Farm Unit "M", the same being all that portion of Farm Unit "M" lying in Government Lots 6 and 11, being in Section 14, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, as more fully described in deed from Lester D. Pierce, et ux. to J. R. Ratliff and Ollie Ratliff, dated February 17, 1936 recorded the same date in Volume 105, page 634, Microfilm Records of Klamath County, Oregon.

SAVING AND EXCEPTING therefrom any portion lying within State Line Road and with USBR Lateral.

PARCEL 7:

All of Farm Unit "H", according the Farm Unit Plat, or Lot 13, the S1/2, the S1/2 of the N1/2, and the S1/2 of the N1/2 of the N1/2 of Lot 12 of Section 14 in Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon.

SUBJECT TO an easement to Klamath County, being Stateline Road, per Klamath County Commissioner's Journal 7, page 247.

SUBJECT TO an easement to Klamath County, being Adams Point Road, per Klamath County Commissioner's Journal 7, page 52.

Government Lots 8, 9, 16, 20, 22 and the E1/2 of Government Lot 10, Section 14, Township 41 South, Range 11 East, Willamette Meridian, Klamath County, Oregon.

Excepting therefrom a parcel of land situated in Section 14, Township 41 South, Range 11 East of the Willamette Meridian, Klamath County, Oregon, further bounded and described as follows:

PARCEL 8:

Beginning at the Quarter (1/4) corner common to Sections 13 and 14 of said Township 41 South, Range 11 East of the Willamette Meridian; thence South $0^{\circ}01'13''$ East along the section line common to said Sections 13 and 14, said section line also being the centerline of Gaines Road, a distance of 1651.66 feet to the point of intersection with the centerline of State Line Road, said centerline of State Line Road being the common boundary between the States of Oregon and California; thence North $89^{\circ}07'24''$ West along said centerline of State Line Road and the common boundary between the States of Oregon and California a distance of 235.28 feet to a point and True Place of Beginning; thence continuing North $89^{\circ}07'24''$ West along said centerline a distance of 812.57 feet to a point; thence North $0^{\circ}39'30''$ East and passing through an iron pin 30.00 feet therefrom, a distance of 298.04 feet to an iron pin; thence South $89^{\circ}07'24''$ East and parallel to said centerline of State Line Road a distance of 812.57 feet to an iron pin; thence South $0^{\circ}39'30''$ West and passing through an iron pin 268.04 feet therefrom, a distance of 298.04 feet to the point of intersection with the said centerline of State Line Road and true point of beginning.

EXCEPTING THEREFROM the Southerly 30.00 feet for public right-of-way purposes.

Code No.	Account No.	Map No.	Tax Year	Amount	Status	Parcel
016	R106753	R-4111-01300-00300-000	2015-2016	\$163.34	Paid	Parcel 1
016	R106824	R-4111-01400-00400-000	2015-2016	\$4,741.59	Paid	Parcel 2
017	R106860	R-4111-01500-01700-000	2015-2016	\$143.03	Paid	Parcel 3
016	R106851	R-4111-01400-00600-000	2015-2016	\$441.31	Paid	Parcel 4
016	R106762	R-4111-01300-00400-000	2015-2016	\$177.51	Paid	Parcel 5
016	R106833	R-4111-01400-00700-000	2015-2016	\$258.41	Paid	Parcel 6
016	R895030	R-4111-01400-00601-000	2015-2016	\$9,196.26	Paid	Parcel 7
016	R106799	R-4111-01400-00200-000	2015-2016	\$589.28	Paid	Parcel 8