

After Recording Return to:
Klamath First Federal Savings & Loan
540 Main St.
Klamath Falls, Oregon 97601

LOAN # 0803900028

MODIFICATION OF FHA TITLE 1 DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED OCTOBER 29, 1999 BETWEEN LEROY D. ROSS AND TERRY A. ROSS, as tenants by the entirety, (referred to below as "Grantor"), whose address is 623 East Front St., Merrill, OR 97633; and KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION (referred to below as "Lender"), whose address is 540 MAIN ST., KLAMATH FALLS, OREGON 97601.

DEED OF TRUST. Grantor and Lender have entered into a FHA TITLE 1 Deed of Trust dated OCTOBER 25, 1999 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows: RECORDED OCTOBER 28th at 8:46 a.m. Vol# M99 Page 42989, 42990 & 42991 in Klamath County, Oregon.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property (the "Real Property") recorded in Klamath County, State of Oregon:

SEE ATTACHED EXHIBIT "A"

The Real property or its address is commonly known as 623 E. Front St., Merrill OR 97633

The Real Property tax identification number is Account No. 123360

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

AT PARAGRAPH 3. MAXIMUM OBLIGATION LIMIT, the total principal amount secured is changed from \$10,094.00 to \$10,604.00.

AT PARAGRAPH 4. SECURED DEBIT AND FUTURE ADVANCES, the term "Secured debt" is also defined to include debt incurred under the FHA TITLE 1 note dated OCTOBER 25, 1999 with Leroy D. Ross and Terry A. Ross, as borrowers, and a maturity date of November 1, 2014 along with any extensions, renewals, modifications or substitutions in connection with that 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 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 the 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.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST, AND EACH GRANTOR AGREES TO ITS TERMS.

GRANTOR:

X

Leroy D. Ross

X

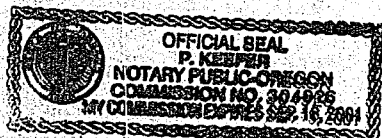
Terry A. Ross

ACKNOWLEDGEMENT:

STATE OF Oregon, COUNTY OF Klamath } SS.

(individual) by Leroy D. Ross and Terry A. Ross This instrument was acknowledged before me this 29 day of October 1999

My commission expires: Sept 18, 2001



[Signature]
(Notary Public)

State of Oregon, County of Klamath
Recorded 11/09/99, at 11:33 a.m.
In Vol. M99 Page 44717
Linda Smith,
County Clerk Fee \$ 15.00