

2003 JUL 20 PM 3:00

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

LOAN # 0803700021

MODIFICATION OF LINE OF CREDIT DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST IS DATED JULY 7, 2000 BETWEEN CECIL L. LAGUNAS and ANA LAGUNAS as tenants by the entirety, (referred to below as "Grantor"), whose address is 2611 Main St., Malin 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 Line of Credit Deed of Trust dated December 3, 1999 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows: RECORDED December 10, 1999 at 10:39 a. m.. Vol. M99 Page 48681 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: Lots 9 and 10, Block 31, MALIN, in the County of Klamath, State of Oregon.

CODE 13 MAP 4112-15BC TL 6000

The Real property or its address is commonly known as 2611 Main St., Malin OR 97632.

The Real Property tax identification number is Account No. R123761

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 \$5,000.00 to \$7,000.00.

AT PARAGRAPH 4. SECURED DEBIT AND FUTURE ADVANCES, the term "Secured debt" is also defined to include debt incurred under the First Equity Plus Agreement dated December 3, 1999 Cecil L. Lagunas and Ana Lagunas. as borrowers, and a maturity date of December 1, 2019 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 endorser 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.

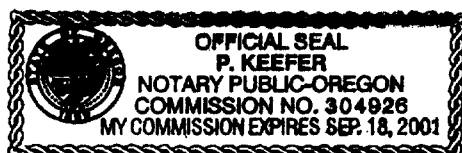
GRANTOR:

X Cecil L. Lagunas
Cecil L. Lagunas

X Ana Lagunas
Ana Lagunas

ACKNOWLEDGEMENT:

STATE OF Oregon, COUNTY OF Klamath } SS.
This instrument was acknowledged before me this 7th day of July, 2000
(individual) by Cecil L. Lagunas and Ana Lagunas
My commission expires: Sept. 18, 2001



[Signature]
(Notary Public)

This instrument is being recorded as an accommodation only, and has not been examined as to validity, sufficiency or effect it may have upon the herein described property. This courtesy recording has been requested of ASPEN TITLE & ESCROW, INC.

State of Oregon, County of Klamath
Recorded 07/20/00, at 3:00 P.m.
In Vol. M00 Page 26609
Linda Smith,
County Clerk Fee \$ 26.00