

01 AUG 21 PM 3:11

Vol M01 Page 42473

After Recording Return To:
Klamath First
540 Main St.
Klamath Falls OR 97601

LOAN # 0903700111

MT 1396 - 3078
**MODIFICATION OF LINE OF CREDIT
DEED OF TRUST**

THIS MODIFICATION OF DEED OF TRUST IS DATED AUGUST 20, 2001 BETWEEN RUSSELL E AND JODY A CARTER, (referred to as "Grantor"), whose address is 3845 SCOTT VALLEY DR., KLAMATH FALLS OR 97601; and KLAMATH FIRST FEDERAL SAVINGS & LOAN ASSOCIATION (referred to as "Lender"), Whose Address is 540 MAIN ST., KLAMATH FALLS OR 97601.

DEED OF TRUST, Grantor and Lender entered into a Line of Credit Deed of Trust dated May 7, 1999 (the "Deed of Trust") recorded in Klamath County, State of Oregon as follows:
RECORDED May 10, 1999 at 11:47 a.m. Vol.M99 on Page 17811 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:
Lot 4, Tract 1295, FIRST ADDITION TO NORTH HILLS ESTATES, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

The Real Property or its address is commonly known as 3845 Scott Valley Dr., Klamath Falls OR 97601.

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 \$5,700.00 to \$10,000.00.

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 May 7, 1999 with Russell E and Jody A Carter as borrower(s), and a maturity date of May 1, 2019, along with any extensions, renewals, modifications or substitutions in connection with that agreement.

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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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 the 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

Russell C. Carter

X

Jody A. Carter

ACKNOWLEDGMENT:

STATE OF Oregon, COUNTY OF Klamath } SS.

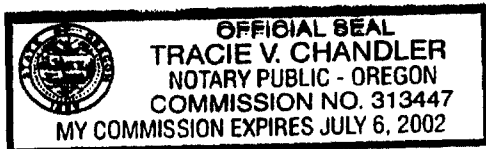
This instrument was acknowledged before me this 20th day of August 2001

(individual) by

Russell C. CARTER & Jody A. CARTER

My commission expires: 7-6-2002

Tracie V. Chandler
(Notary Public)



State of Oregon, County of Klamath
Recorded 08/21/01 at 3:11 p. m.
In Vol. M01 Page 42473
Linda Smith,
County Clerk Fee \$ 26.00