

RECORDATION REQUESTED BY:

Klamath First Federal Savings & Loan Association
Main Office and Branch
540 Main Street
Klamath Falls, OR 97601

Vol M02 Page 57503

WHEN RECORDED MAIL TO:

AN
Klamath First Federal Savings & Loan Association
Main Office and Branch
540 Main Street
Klamath Falls, OR 97601

State of Oregon, County of Klamath
Recorded 10/08/2002 11:19 a. m.
Vol M02, Pg 57503
Linda Smith, County Clerk
Fee \$ 21.00 # of Pgs 1

SEND TAX NOTICES TO:

LEWIS M. DODSON
JUDITH L. DODSON
1128 TAMERA DRIVE
KLAMATH FALLS, OR 97603

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated September 25, 2002, is made and executed between LEWIS M DODSON and JUDITH L DODSON, HUSBAND AND WIFE ("Grantor") and Klamath First Federal Savings & Loan Association, Main Office and Branch, 540 Main Street, Klamath Falls, OR 97601 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated August 21, 1996 (the "Deed of Trust") which has been recorded in KLAMATH County, State of Oregon, as follows:

Deed of Trust dated August 21, 1996, recorded on August 21, 1996 as Volume M96, Page 25879 in Klamath County, Oregon.

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 4509 SOUTH 6TH STREET, KLAMATH FALLS, OR 97603. The Real Property tax identification number is 3909-2BC-1500, 3909-2BC-1300

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

Effective September 25, 2002, the interest rate to be applied to the unpaid principal balance of the existing indebtedness described above is hereby changed to 3.250 percentage points per annum over an Index. The Index is the 5 Year Treasury; Change maturity date to September 10, 2012.

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.

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 SEPTEMBER 25, 2002.

GRANTOR:

x *Lewis M. Dodson*
LEWIS M. DODSON, Individually

x *Judith L. Dodson*
JUDITH L. DODSON, Individually

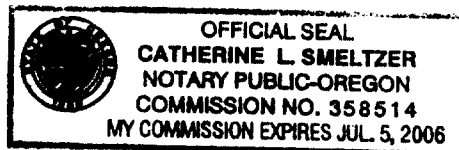
LENDER:

x *[Signature]*
Authorized Officer

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon
COUNTY OF Klamath

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) SS
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On this day before me, the undersigned Notary Public, personally appeared LEWIS M. DODSON and JUDITH L. DODSON, to me known to be the individuals described in and who executed the Modification of Deed of Trust, and acknowledged that they signed the Modification as their free and voluntary act and deed, for the uses and purposes therein mentioned.

Given under my hand and official seal this 24th day of September, 20 02.

By *Catherine L. Smeltzer*

Residing at Klamath Falls, OR

Notary Public in and for the State of Oregon

My commission expires July 5, 2006