

Wells Fargo Financial Bank
3201 N. 4th Avenue
Sioux Falls, South Dakota 571014

**OREGON REAL ESTATE MORTGAGE
LINE OF CREDIT INSTRUMENT**

Maximum Principal Secured, \$200,000.

Know All Men by these Presents, to secure any advances (including future advances) on a line of credit issued pursuant to a Credit Card Account Agreement in the amount stated above as "Maximum Principal Secured," between Wells Fargo Financial Bank, Mortgagee, and Maurice M Smith

_____, Mortgagors, said Mortgagors do hereby grant, bargain, sell, and convey to Mortgagee the following described premises located in Klamath County, Oregon: Lot 17 in TRACT 1300 - KLAMATH MEADOWS EAST, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

Together with tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining. To have and to hold the same, with the appurtenances unto the Mortgagee, its successors and assigns forever.

This conveyance is intended as a mortgage to secure the payment to Mortgagee of Mortgagor's initial and future advances to Mortgagor under the Credit Card Account Agreement ("Agreement") between Mortgagor and Mortgagee, plus interest thereon on the outstanding principal balances from time to time at the applicable interest rate from time to time thereunder, as well as any future note or notes that may be executed and delivered to Mortgagee by Mortgagor from time to time as provided in said promissory note, the total outstanding indebtedness, however, never to exceed the sum of two hundred thousand dollars at any one time.

Mortgagors covenant that they will at their expense keep all buildings now or hereafter erected upon said property covered by fire and extended coverage insurance in an amount equal to the unpaid balance of said note or notes with loss payable to the Mortgagee, and will pay all taxes and assessments against said property and amounts due on any prior encumbrances, and if they shall fail to so insure or pay said amounts, the Mortgagee may arrange for such insurance and pay said amounts, and all amounts so paid shall become additional indebtedness due hereunder.

Mortgagors also covenant not to sell, convey or transfer said property or any portion thereof without Mortgagee's prior written consent and any such sale, conveyance to transfer without Mortgagee's prior written consent shall constitute a default under the terms hereof.

Now, if the sums of money due upon said instrument shall be paid according to agreement therein expressed, and the Mortgagor has terminated future advances, or the draw period has expired, and all amounts secured hereby have been paid in full, this conveyance shall be void, but in case default shall be made in payment of said sums of money due upon said instrument according to agreement therein expressed, then the Mortgagee and its legal representatives may sell the premises above described, with all and every of the appurtenances, or any part thereof, in the manner prescribed by law, and out of the money arising from such sale, retain the sums of money due upon said instrument according to agreement therein expressed, together with the taxable costs and disbursements to which the Mortgagee may become entitled as provided by law in its action to realize on the security, and the overplus, if any there be, pay over the Mortgagors.

The covenants contained herein shall bind and inure to the benefit of the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Whenever used the singular number shall be construed to include the plural, the plural the singular, and the use of any gender shall include all genders.

IN WITNESS WHEREOF, the Mortgagors have hereunto set their hands this 20 day of January, 2003.

Sign Here Maurice M Smith

Sign Here _____

Done in the presence of:

STATE OF OREGON)
) ss.
COUNTY OF Jackson)

On this 20th day of January, A.D., 2003 personally appeared the above named Maurice M Smith

and acknowledged the foregoing instrument to be their voluntary act. Before me:

Jeremiah Paladino
Notary Public



My Commission Expires _____

Vol M03 Page 07448
State of Oregon, County of Klamath
Recorded 02/06/2003 10:56 a m.
Vol M03 Pg 07448
Linda Smith, County Clerk
Fee \$ 21.00 # of Pgs 1