

03 NOV 3 PM 2:39

RECORDATION REQUESTED BY:

Klamath First Federal Savings & Loan Association  
Madison Branch  
2300 Madison  
Klamath Falls, OR 97603

Vol M03 Page 81684

State of Oregon, County of Klamath  
Recorded 11/03/03 2:39 p. m  
Vol M03 Pg 81684-85  
Linda Smith, County Clerk  
Fee \$ 26.00 # of Pgs 2

WHEN RECORDED MAIL TO:

Klamath First Federal  
Consumer Loan Center 2nd Floor  
714 Main Street  
Klamath Falls, OR 97601

SEND TAX NOTICES TO:

Christian J Gatz  
Penny R Gatz  
PO Box 183  
Midland, OR 97634

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

ATE 58177

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated October 31, 2003, is made and executed between PARCEL 1: Christian J. Gatz and Penny R. Gatz, as tenants by the entirety, PARCEL 2: Christian J. Gatz and Penny Gatz, husband and wife ("Grantor") and Klamath First Federal Savings & Loan Association, Madison Branch, 2300 Madison, Klamath Falls, OR 97603 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated July 11, 2002 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded in Klamath County State of Oregon as follows: Recorded July 12, 2002 at 3:03 pm in Vol M02 Pg 39785-91 in Klamath County, State of Oregon.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Klamath County, State of Oregon:

PARCEL 1:

The East 100 feet of the West 200 feet of Lot 3, Block 3, MIDLAND HILLS ESTATES, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

PARCEL 2:

Lot 3, Block 3, MIDLAND HILLS ESTATES, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

EXCEPTING THEREFROM the West 200 feet of said Lot 3.

ALSO EXCEPTING THEREFROM that portion described as Lot 3A (well lot) on the dedicated plat of Midland Hills Estates.

The Real Property or its address is commonly known as 200 Leach Dr, Midland, OR 97634. The Real Property tax identification number is 621287

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

Increase existing Line of Credit from \$17,000.00 to \$135,750.00.

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 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.

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 OCTOBER 31, 2003.

NOTICE TO THE GRANTOR: Do not sign this loan agreement before you read it. This loan agreement provides for the payment of a penalty if you wish to repay the loan prior to the date provided for repayment in the loan agreement.

GRANTOR:

x Christian J Gatz  
Christian J Gatz, Individually

x Penny R Gatz  
Penny R Gatz, Individually

LENDER:

x Janet I Lee  
Authorized Officer

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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 Christian J Gatz and Penny R Gatz, 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 31<sup>st</sup> day of October, 2003.  
By Patricia Janet Thede Residing at 2300 Madison St Klamath Falls OR  
Notary Public in and for the State of Oregon My commission expires 7-7-06

LENDER ACKNOWLEDGMENT

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

)  
) SS  
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On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_ and known to me to be the \_\_\_\_\_, authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By \_\_\_\_\_ Residing at \_\_\_\_\_  
Notary Public in and for the State of \_\_\_\_\_ My commission expires \_\_\_\_\_