

03 DEC 11 AM 10:18

RECORDATION REQUESTED BY:

Klamath First Federal Savings & Loan Association
Shasta Branch
2943 South Sixth Street
Klamath Falls, OR 97603

Vol M03 Page 90384

State of Oregon, County of Klamath
Recorded 12/11/03 10:18 a m
Vol M03 Pg 90384
Linda Smith, County Clerk
Fee \$ 24.00 # of Pgs 1

WHEN RECORDED MAIL TO:

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

SEND TAX NOTICES TO:

Fermin M Melgares
Eva S Melgares
3908 Redondo Way
Klamath Falls, OR 97603

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

Open 15334
MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated December 9, 2003, is made and executed between The Estate of Fermin M. Melgares, a Protected Person, and Eva S. Melgares ("Grantor") and Klamath First Federal Savings & Loan Association, Shasta Branch, 2943 South Sixth Street, Klamath Falls, OR 97603 ("Lender").

DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated June 14, 2002 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded June 14, 2002 at 3:20 pm in Vol M02, Pg 34937-42 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:

Lot 13 in Block 7 of TRACT 1037- FIFTH ADDITION TO SUNSET VILLAGE, 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 3908 Redondo Way, Klamath Falls, OR 97603. The Real Property tax identification number is R564348

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

Increase existing Line of Credit from \$7,000.00 to \$73,000.00.

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 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 DECEMBER 9, 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 Fermin M. Melgares
Fermin M Melgares, Individually

x Eva S. Melgares
Eva S Melgares, Individually

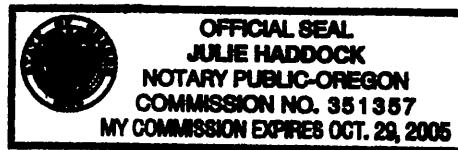
LENDER:

x _____
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 Fermin M Melgares and Eva S Melgares, 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 9th day of December, 20 03.

By Julie Haddock
Notary Public in and for the State of Oregon

Residing at Klamath Falls
My commission expires Oct. 29, 2005