

04 JAN 22 PM 2:58

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

Vol M04 Page 04060

WHEN RECORDED MAIL TO:
Klamath First Federal
Consumer Loan Center 2nd Floor
714 Main Street
Klamath Falls, OR 97601

State of Oregon, County of Klamath
Recorded 01/22/2004 2:58 p m
Vol M04 Pg 4060
Linda Smith, County Clerk
Fee \$ 21.00 # of Pgs 1

SEND TAX NOTICES TO:
Daniel Morehouse
Valerie Morehouse
5241 Shasta Wy
Klamath Falls, OR 97603

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE ONLY

AT&E 685311

MODIFICATION OF DEED OF TRUST

THIS MODIFICATION OF DEED OF TRUST dated January 21, 2004, is made and executed between Daniel Morehouse and Valerie Morehouse, as tenants by the entirety ("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 March 22, 2001 (the "Deed of Trust") which has been recorded in Klamath County, State of Oregon, as follows:

Recorded March 26, 2001 at 3:18 PM Volume M01 Page 11962 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:
The East 92 feet of Lot 39 and the East 92 feet of the South 139.2 feet of Lot 40, FAIR ACRES SUBDIVISION NUMBER ONE, according to the official plat thereof on file in the office of the Clerk of Klamath County, Oregon.

The Real Property or its address is commonly known as 5241 Shasta Wy, Klamath Falls, OR 97603. The Real Property tax identification number is R450059

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

Increase existing Line of Credit from \$35,000.00 to \$93,200.00.

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 JANUARY 21, 2004.

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 [Signature]
Daniel Morehouse

x [Signature]
Valerie Morehouse

LENDER:

x [Signature]
Authorized Officer



INDIVIDUAL ACKNOWLEDGMENT

STATE OF OREGON)
) SS
COUNTY OF KLAMATH)

On this day before me, the undersigned Notary Public, personally appeared Daniel Morehouse and Valerie Morehouse, 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 21st day of JANUARY, 2004.

By [Signature] Residing at KLAMATH FALLS, OR

Notary Public in and for the State of OREGON My commission expires 12-16-08

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