

AMENDMENT TO DECLARATION OF TRUST OF KMC MORTGAGE INVESTORS

Pursuant to Section 13.1 of the Declaration of Trust made as of November 3, 1971 by the Trustees of KMC Mortgage Investors, as amended as of December 13, 1971, the Trustees of KMC Mortgage Investors, a business trust established pursuant to Sections 386.370 through 386.440, inclusive, of the Kentucky Revised Statutes, have adopted the following Amendment to the Declaration of Trust of KMC Mortgage Investors.

FIRST: The name of the Trust is KMC Mortgage Investors.

SECOND: The following amendment of the Declaration of Trust was adopted on March 20, 1973 by the affirmative vote of the holders of greater than two thirds of the shares of the Trust outstanding and entitled to vote:

ARTICLE II Section 2.17(d) is amended by adding the following sentence following that Section as previously stated:

"Notwithstanding anything herein to the contrary, any corporation, partnership or other entity which directly or indirectly controls or, with the exception of the Adviser, is under common control with Kentucky Mortgage shall not be obligated to offer the Trust the right of first refusal set forth in this paragraph (d)."

The remainder of Article II, Section 2.17(d) shall remain as stated.

Dated March 20, 1973

KMC MORTGAGE INVESTORS

By:

Homer A. Hail

Homer A. Hail, Vice President,
Secretary, Treasurer and Trustee

State of Kentucky)
) SS
County of Fayette)

I, Edith C. Bolen, a notary public, to hereby certify that on this 10th day of April, 1973, personally appeared before me Homer A. Hail, who being by me first duly sworn, declared the he is Vice President, Secretary, Treasurer and Trustee of KMC