

SINGLE-FAMILY MORTGAGE PURCHASE PROGRAM

ADDENDUM TO FNMA/FHLMC, FHA OR VA DEED OF TRUST

The rights and obligations of the parties to the attached Deed of Trust and the Note which is secured by the Deed of Trust are expressly made subject to this Addendum. In the event of any conflict between the provisions of this Addendum and the provisions of the Deed of Trust or Note, the provisions of this Addendum shall control.

1. The Borrower agrees that the Lender or its assignee may, at any time and without prior notice, increase the rate of interest charged on a loan evidenced by the Deed of Trust and Note to 8.50 % per annum, or accelerate all payments due under the Deed of Trust and Note and exercise any other remedy allowed by law for breach of the Deed of Trust or Note if:
 - a. The Borrower sells, rents, or fails to occupy the Property as his or her permanent and primary residence; or
 - b. The Borrower fails to abide by the agreements contained in the Affidavit, or if the Lender or the Division (Housing Division, Department of Commerce, State of Oregon) finds any statement contained in the Affidavit to be untrue.

The Borrower understands that the agreements and statements of fact contained in the Affidavit are necessary conditions for the granting of this Loan, and that an increase in the interest rate of the Loan will result in an increase in the monthly payments required for this Loan.
2. The Borrower agrees that the Lender or its assignee may impose a late charge in the amount of four percent (4%) of each monthly payment of principal and interest which is more than fifteen (15) days delinquent. Late charges on FHA and VA insured loans shall be those established by the insuring agency.
3. The Borrower agrees that no Future Advances will be made under the Deed of Trust without the consent of the Oregon State Housing Division.

NOTICE TO BORROWER:

This document substantially modifies the terms of this Loan. Do not sign it unless you have read and understand it.

I hereby consent to the modifications of the terms of the Deed of Trust and Note which are contained in the Addendum.

Dated this 5th day of January, 19 78.

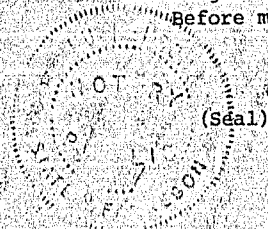
Harold L. Wells
Harold L. Wells (Borrower)

Cynthia M. Wells
Cynthia M. Wells (Borrower)

STATE OF OREGON)
County of Klamath) ss.

On this 5th day of January, 19 78, personally appeared the above named Harold L. Wells and Cynthia M. Wells and acknowledged the foregoing instrument to be their voluntary act and deed.
Before me:

Lu Nelson
Notary Public for Oregon
My Commission expires: 2-3-79



After recording, mail to:
First National Bank of Oregon

Klamath Falls RELO
P. O. Box 1936
Klamath Falls, Oregon 97601

STATE OF OREGON,)
County of Klamath)
Filed for record at request of

On this 6th day of January A.D. 19 78,
at 10:37 o'clock A M, and duly
recorded in Vol. M78 of Mortgages
page 288
Wm D. MILNE, County Clerk
By Bartholomew Deputy
Fee \$3.00