

THIS AGREEMENT, made and entered into this 28th day of February, 19 78,
by and between Roger M. and Leslie D. Lamb; Kurt J. and Leah L. Schmidt; and Ida
E. Lamb

hereinafter called the "Mortgagor", and WESTERN BANK, Coos Bay, Oregon, an Oregon banking corporation, herein-
after called the "Mortgagee":

WITNESSETH: On or about the 2nd day of September, 19 77, the Mortgagor(s) did
make, execute and deliver to the Mortgagee their certain promissory note in the sum of \$ 82,500.00, payable
in monthly installments with interest at the rate of 10.0 % per annum. For the purpose of securing the payment
of said promissory note, the Mortgagor(s) did make, execute and deliver to the Mortgagee, their certain mortgage
bearing date of September 2, 19 77, conveying to the Mortgagee therein named the following
described real property, situate in the County of Klamath, State of Oregon, to-wit:

See attached description

which mortgage was duly recorded in the Records of Mortgages of said county and state.

There is now due and owing upon the promissory note aforesaid, the principal sum of Eighty Two Thousand
Five Hundred and no/100ths (\$82,500.00) DOLLARS,
together with accrued interest thereon, and the Mortgagor(s) desire a modification of the terms of payment thereof, to
which the Mortgagee is agreeable on the terms and conditions hereinafter stated and not otherwise.

NOW THEREFORE, in consideration of the premises and of the promises and agreements hereinafter contained,
the parties hereto do hereby agree that the balance now due and owing on the promissory note hereinabove described
shall be and is payable in monthly installments of One Thousand and no/100ths
(\$ 1,000.00) DOLLARS each, including
interest on the unpaid balance at the rate of 10.0 % per annum. The first installment shall be and is payable on
the 5th day of April, 19 78, and a like installment on the 5th day of each
month thereafter until the principal and interest are fully paid, except that the final payment of principal and interest if
not sooner paid, shall be due and payable on the 2nd day of September, 19 87. If any of
said installments of either principal or interest are not so paid, the entire balance then owing shall, at the option of the
Mortgagee or its successors in interest, become immediately due and payable without notice.

Except as herein modified in the manner and on the terms and conditions hereinabove stated, the said promissory
note and mortgage shall be and remain in full force and effect, with all the terms and conditions of which the
mortgagor(s) do agree to comply in the same manner and to the same extent as though the provisions thereof were in
all respects incorporated herein and made a part of this agreement.

IN WITNESS WHEREOF, the Mortgagor(s) have hereunto set their hand(s) and seal(s) and the Mortgagee has
caused these presents to be executed on its behalf by its duly authorized representative this day and year first herein-
above written.

Kurt J. Schmidt
Kurt J. Schmidt
Leah L. Schmidt
Leah L. Schmidt
Ida E. Lamb
Ida E. Lamb

Roger M. Lamb
Roger M. Lamb
Leslie D. Lamb
Leslie D. Lamb
Klamath Falls Branch
Western Bank
By [Signature]
Real Estate Loan Officer

N-137 2-76

Return to
Western Bank
PO Box 669
Klamath Falls,
OR 97601

8324

all the following described property situated in Klamath County, Oregon, to-wit:
A portion of Tract 805, ENTERPRISE TRACTS, Klamath County, Oregon, described as follows:
Beginning at the Southwest corner of said Tract 805; thence N. 0°00' W., along the West boundary of said Tract 805, 586.64 feet, more or less, to the Southwest corner of a tract conveyed to Marie Stearns by deed recorded in Volume 179 page 385 Deed Records, Klamath County, Oregon; thence S. 55°50' E., along the Southerly boundary of said Stearns tract 139.3 feet, more or less, to the Southeasterly corner of said Stearns tract; thence N. 34°10' E., along the Easterly boundary of the said Stearns tract 190 feet, more or less, to the Southerly boundary of South Sixth Street as described in deed to the State of Oregon recorded in Volume 191 page 240 Deed Records, Klamath County, Oregon; thence S. 55°50' E., along the Southerly boundary of the said South Sixth Street as widened in 1946, 200.72 feet, more or less, to the Northwest corner of tract conveyed by H. M. Mallory and Christine W. Mallory to The Bi-Mart Company by deed recorded in Volume M73 page 3753 Deed Records, thence S. 34°10' W., along the Northwesterly boundary said Mallory tract 400 feet, more or less, to the most Westerly corner of said Mallory tract; thence S. 55°50' E., along the most Southerly boundary of the said Mallory tract, 27 feet, more or less, to the Northwesterly corner of tract conveyed by Howard and Maybelle E. Barnhisel and Martha D. Smith to The Bi-Mart Company by deed recorded in Volume M73 page 3750 Deed Records; thence Southerly 205 feet, more or less, along the Westerly boundary of The Bi-Mart Company tract as described in the deed recorded in Volume M73 page 3750, to a point on the Southerly boundary of said Tract 805 which is S. 89°47' W. 440 feet, more or less, from the Southeast corner of said Tract 805; thence S. 89°47' W., along the Southerly boundary of the said Tract 805, 188 feet, more or less, to the Southwest corner of the said Tract 805 and the point of beginning, containing 3.33 acres, more or less, with bearings based on recorded Survey #62 and description in deed from Klamath Basin Cooperative to Howard and Maybelle E. Barnhisel and Richard M. and Martha D. Smith recorded March 8, 1952 in Volume 253 page 350 Deed Records of Klamath County, Oregon.

STATE OF OREGON,

County of Klamath

ss.

FORM NO. 23 — ACKNOWLEDGMENT
STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

BE IT REMEMBERED, That on this 28th day of February, 19 78
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Roger M. and Leslie D. Lamb, husband and wife; Kurt J. and Leah L. Schmidt, husband and wife; and Ida E. Lamb, a single woman

known to me to be the identical individual s. described in and who executed the within instrument and acknowledged to me that they executed the same freely and voluntarily.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Caroline H. Marshall
Notary Public for Oregon.

My Commission expires 2-9-82

FORM No. 24 — ACKNOWLEDGMENT — CORPORATION.

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

STATE OF OREGON,

County of Klamath

ss.

before me appeared Shirley A. Rainwater On this 28th day of February, 19 78,

~~known to me personally known, who being~~
duly sworn, did say that she, the said Shirley A. Rainwater
is the ~~Secretary~~ Real Estate Loan Officer
~~of~~ Western Bank, Klamath Falls Branch
the within named Corporation, and that the seal affixed to said instrument is the corporate seal of said Corporation, and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors, and Shirley A. Rainwater
acknowledge said instrument to be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

Caroline H. Marshall
Notary Public for Oregon.

My Commission expires 2-9-82

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 27th day of April A.D., 19 78 at 10:08 o'clock A M., and duly recorded in Vol 872 of Mortgages on Page 8323.

FEE \$6.00

WM. D. MILNE, County Clerk
By Caroline H. Marshall

Deputy