

MODIFICATION OF MORTGAGE

THIS AGREEMENT, made and entered into this 15th day of March, 19 79, by and between EMPIRE BUILDING SUPPLY, INC.

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

WITNESSETH: On or about the 7th day of July, 19 78, the Mortgagor(s) did make, execute and deliver to the Mortgagee their certain promissory note in the sum of \$ 696,000.00, payable in monthly installments with interest at the rate of 10.50 % 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 July 7, 19 78, conveying to the Mortgagee therein named the following described real property, situate in the County of Klamath, State of Oregon, to-wit:

(see attached legal 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 Six Hundred Ninety-Six Thousand and no/100ths (\$ 696,000.00) 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 as follows: Interest only thru 8-10-79; then 84 pmts. of Nine Thousand One Hundred Eighty-two & no/100ths (\$ 9,182.00) DOLLARS each, including interest on the unpaid balance at the rate of 10.50 % per annum. The first installment shall be and is payable on the 10th day of September, 19 79, and a like installment on the 10th day of each month thereafter until 9-10-86 when 96 monthly pmts. of \$4864.00 will be due on the 10th of each month until not sooner paid, shall be due and payable on the 10th day of August, 19 94. 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 hereinabove written.

Return to:  
Western Bank  
Klamath Falls Branch  
P. O. Box 669  
Klamath Falls, OR 97601

By: Dale O. Woods  
By: Karen A. Woods  
Klamath Falls Branch  
Western Bank  
By: [Signature] Real Estate Loan Officer

STATE OF OREGON,

County of Klamath

ss.

BE IT REMEMBERED, That on this 15th day of March, 19 79, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Dale O. Woods and Karen A. Woods

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.

[Signature]  
Notary Public for Oregon.  
My Commission expires 6-20-79

STATE OF OREGON,

6375

County of Klamath } ss. On this 15th day of March, 1979,  
before me appeared Shirlee A. Rainwater

~~known~~ to me personally known, who being  
duly sworn, did say that she, the said Shirlee A. Rainwater  
is the ~~President and the only stock~~ Real Estate Loan Officer  
~~is the~~ Secretary 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 Shirlee A. Rainwater ~~and~~  
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

PARCEL ONE: Lots 5 through 13, in Block 1, RAILROAD ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk, Klamath County, Oregon.

PARCEL TWO: A tract of land in the NW  $\frac{1}{4}$  of NW  $\frac{1}{4}$ , Section 33, Township 38 South, Range 9 East, described as follows: Beginning at the Northwest corner of Lot 13, Block 1, RAILROAD ADDITION to Klamath Falls, Oregon, and running thence Northwesterly along the Easterly line of Spring Street 259.22 feet to the intersection of said Easterly line of Spring Street and the Southerly line of Main Street; thence Easterly along said Southerly line of Main Street 167.47 feet to the Westerly line of right-of-way previously granted to the California Northeastern Railway Company; thence Southeasterly along said Westerly line of right-of-way 268.7 feet to where the Northerly line of Lot 13, Block 1, of said RAILROAD ADDITION, extended, intersects said Westerly line of right-of-way; thence Westerly parallel with Main Street 191.7 feet to the place of beginning.

EXCEPTING THEREFROM; beginning at the most southwesterly corner of the 0.617 acre parcel of land described secondly in that certain deed dated January 11, 1908, from William A. Wright et ux and Hot Springs Investment Company to California Northeastern Railway Company, recorded March 11, 1908, in Volume 23 of Deeds at page 618, records of Klamath County, Oregon, being also a point in the northerly line of the 53.751 acre parcel of land described in deed dated February 11, 1908, and recorded March 11, 1908, in Volume 23 of Deeds, at page 616, records of Klamath County, Oregon, thence South 89° 21' West, along said northerly line, 55.84 feet to a point that is 50.00 feet southwesterly, measured at right angles, from the southwesterly line of said 0.617 acre parcel; thence North 62° 55' East, at right angles to said southwesterly line, 50.00 feet to last said line; thence South 27° 05' East, along last said line, 24.86 feet to the point of beginning.

PARCEL THREE: That certain parcel of land situate in the north half of the northeast quarter of Section 33, Township 38 South, Range 9 East, Willamette Base and Meridian, City of Klamath Falls, County of Klamath, State of Oregon, described as follows:

Commencing at the most southwesterly corner of the 0.617 acre parcel of land described secondly in that certain deed dated January 11, 1908, from William A. Wright et ux and Hot Springs Investment Company to California Northeastern Railway Company, recorded March 11, 1908, in Volume 23 of Deeds, at page 618, records of Klamath County, Oregon, being also a point in the northerly line of the 53.751 acre parcel of land described in deed dated February 11, 1908 and recorded March 11, 1908, in Volume 23 of Deeds, at page 616, records of Klamath County, Oregon, thence South 89° 21' West, along said northerly line, 55.84 feet to a point that is 50.00 feet southeasterly, measured at right angles, from the southeasterly line of said 0.617 acre parcel and the true point of beginning of the parcel of land to be described; thence South 89° 21' West, continuing along said northerly line 55.84 feet to the northwesterly corner of said 53.751 acre parcel; thence South 27° 05' East, along the southwesterly line of said 53.751 acre parcel, 24.86 feet; thence North 62° 55' East, 50.00 feet to the True point of beginning.

STATE OF OREGON; COUNTY OF KLAMATH; ss.

I hereby certify that the within instrument was received and filed for record on the 21st day of March A.D., 1979 at 1:51 o'clock P.M., and duly recorded in Vol. M79, of Mortgages on Page 6374.

FEE \$6.00

Wm. D. MILNE, County Clerk

By Bernice A. DeLoach Deputy

Parcel 1. 0.617 acre parcel (Klamath A. Klamath)