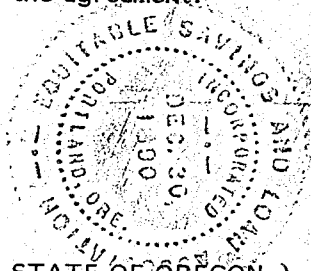


MEMORANDUM OF MODIFICATION AGREEMENT

On June 1, 1981, Equitable Savings and Loan Association, Joseph H. Francisco and Dorothy L. Francisco as Borrowers and Anthony J. Gratzner and June J. Gratzner (Purchasers A), Robert W. Blackmore and Bettye Blackmore (Purchasers B), and Shirley A. Thompson (Purchaser C) as Purchasers executed a Modification Agreement concerning Equitable's Loan Number 205143940, which is evidenced by a Promissory Note dated March 24, 1978 and secured by a Deed of Trust which was recorded on March 31, 1978 in Instrument Number M-78, Page 6236, Official Records of Klamath County, Oregon, covering the real property described as:

Lot 63, Merryman's Replat of Old Orchard Manor in the City of Klamath Falls, in the County of Klamath, State of Oregon.

The parties modified this loan by increasing the interest rate from 11.25% per annum to 13.25% per annum for the remaining term of the loan and by increasing the monthly principal interest payment from \$273.20 to \$315.00. The modifications were effective upon execution of the agreement.



EQUITABLE SAVINGS & LOAN ASSOCIATION

By

William R. Thornton

STATE OF OREGON)

) ss.

County of Multnomah)

The foregoing instrument was acknowledged before me this

1st day of June 1981

by

William R. Thornton,Vice President

of Equitable Savings and Loan

Association, an Oregon corporation, on behalf of the corporation.

Neva K. Smith
Notary Public for Oregon

My commission expires: 11-11-82

After recording return to;
Equitable Savings and Loan
212 South 6th Street
Klamath Falls, OR 97601

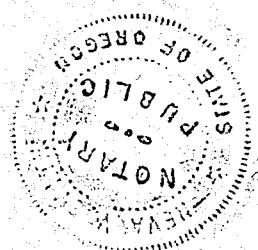
STATE OF OREGON; COUNTY OF KLAMATH; ss.

Filed for record at request of

this 16th day of June A.D. 1981 at 10:34 o'clock A.M., andduly recorded in Vol. M81, of Mtg. on Page 10729

Fee \$3.50

EVELYN BIEHN, County Clerk
By Debra A. Gans



43 JUN 16 AM 10 34