

MODIFICATION OF MORTGAGE OR TRUST DEED

Vol. 118 Page 10404

THIS AGREEMENT, made and entered into this 5th day of June, 19 86, by and between
KLAMATH FALLS BRICK & TILE COMPANY, an Oregon Corporation

hereinafter called the "Borrower(s)" and WESTERN BANK, an Oregon banking corporation, hereinafter called the "Bank":

WITNESSETH: On or about the 19th day of July, 1985, the Borrower(s) (or the original maker(s) if the Borrower is an assignee of record) did make, execute and deliver to the Bank that certain promissory note in the sum of \$300,000.00, payable in one monthly/installments with interest at the rate of B+1½ % per annum. For the purpose of securing the payment of said promissory note, the Borrower(s) (or the original maker(s) if the Borrower is an assignee of record) did make, execute and deliver to the Bank their certain Mortgage or Trust Deed, hereinafter called a "Security Instrument" bearing date of July 19, 1985, conveying the following described real property, situate in the County of Klamath, State of Oregon, to-wit:

See attached Exhibit "A" for legal description

which Security Instrument was duly recorded in the records of said county and state.

There is now due and owing upon the promissory note aforesaid, the principal sum of Three Hundred Thousand and no/100* * * * * DOLLARS (\$ 300,000.00), together with the accrued interest thereon, and the Borrower(s) desire a modification of the terms of payment thereof, to which the Bank 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 one monthly/installments of Three Hundred Thousand and no/100* * * * * DOLLARS (\$ 300,000.00) each, plus monthly interest on the unpaid balance at the rate of B+1½ % per annum. The first installment shall be and is payable on the 24th day of June, 1986, and a like installment shall be and is payable on the 24th 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 4th day of August, 1986. If any of said installments or either principal or interest are not so paid, the entire balance then owing shall, at the option of the Bank 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 herein stated, the said promissory note and Security Instrument shall be in full force and effect, with all the terms and conditions of which the Borrower(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 Borrower(s) have hereunto set their hand(s) and seal(s) and the Bank has caused these presents to be executed on its behalf by its duly authorized representative this day and year first hereinabove written.

BY: William R. Smith President
 Signature of Borrower

WESTERN BANK

BY: Wendell A. Smith Secretary
 Signature of Borrower

Klamath Falls Branch

BY: Richard W. Smith Vice President

By: H. Wayne Luzier Authorized Signature
 H. Wayne Luzier, Assistant Manager

State of Oregon

County of Klamath

SS:

Personally appeared the above named William R. Smith, Richard W. Smith and Wendell A. Smith

and acknowledged the foregoing instrument to be their voluntary act and deed. Before me:

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

Notary Public for Oregon

My commission expires 5/29/90

DESCRIPTION

EXHIBIT "A"

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PARCEL 1:

Beginning at a point which is West 1330 feet and North 350 feet from the corner common to Sections 19, 20, 29 and 30, Township 36 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence North and parallel to the line between Sections 19 and 20, 480 feet; thence East and parallel to the line between Sections 19 and 30, 332½ feet; thence South and parallel to the Section line between Sections 19 and 20, 480 feet; thence West and parallel to the section line between Sections 19 and 30, 332½ feet to the point of beginning being a portion of the SE¼ of the SE¼ of Section 19, Township 38 South, Range 9 East of the Willamette Meridian. ALSO,

Beginning at a point which is 89° 30' West a distance of 550 feet from the Southeast corner of Section 19; thence North and parallel to the East line of said Section, 350 feet to a point; thence West 622 feet parallel with South line of Section to a point; thence South 350 feet parallel with East line of Section to a point; thence East 622 feet on South line of Section to place of beginning, all in Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon. ALSO,

Lot 1, 2, 3, 8, 9, 10, Block 34, BUENA VISTA ADDITION TO THE CITY OF KLAMATH FALLS, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. ALSO,

Lots 12 and 13 of Block 32; Lots 8 and 11 of Block 33 of BUENA VISTA ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. ALSO,

Lot 1, 2, 3, 4 and 10, in Block 33 of BUENA VISTA ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. ALSO,

Lots 4 and 5, Block 34, BUENA VISTA ADDITION to the City of Klamath Falls according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. ALSO,

Lots 11 and 12, Block 34, BUENA VISTA ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. ALSO,

Lots 5, and 9, Block 33, BUENA VISTA ADDITION to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon. ALSO,

Portion of SE¼SE¼ of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at a point 860 feet North of corner common to Sections 19, 20, 29 and 30 in Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, and 617 feet Westerly and parallel to Section line between Sections 19 and 30, same township and range; thence Northerly and parallel to line between Sections 19 and 20 a distance of 468 feet, more or less, thence Easterly and

KLAMATH FALLS BRICK & TILE COMPANY

BY: William R. Smith PresidentBY: Richard W. Smith SecretaryBY: Richard W. Smith Vice PresidentDate: June 5, 1986

PARCEL 1: (continued)

EXHIBIT "A"

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parallel to line between Sections 19 and 30 a distance of 100 feet, thence Southerly and parallel to Section line between Sections 19 and 20 a distance of 688.5 feet, more or less; thence Westerly and parallel to line between Sections 19 and 30 a distance of 100 feet to the place of beginning, all in Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon. ALSO,

A tract of land 230 feet wide being 80 feet wide on the Westerly side and 150 feet wide on the Easterly side of the following described centerline: Beginning at an iron pin which lies North along the Section line a distance of 1907.5 feet and West a distance of 839.55 feet from the iron axle with pinion which marks the Southeast corner of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, and running thence; North $10^{\circ} 34'$ East a distance of 211 feet to an iron pin which is the point of curvature of a 10° curve to the left; thence in a Northwesterly direction following the arc of a 10° curve to the left a distance of 359 feet more or less to an iron pin which lies on the Southerly right of way line of the Pelican City Road, $30'$ Southerly at right angles from its center line (the long chord of this curve bears North $16^{\circ} 23'$ West a distance of 353.2 feet). ALSO,

Beginning at a point which is the center of the SE $\frac{1}{4}$ of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, or 30 feet Easterly from the Northeast corner of Block 28 of BUENA VISTA ADDITION to the City of Klamath Falls, Oregon; thence North on 16th line between the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ and the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 19 a distance of 581 feet to a point; thence Easterly and parallel to Section line between Sections 19 and 30 a distance of 726 feet to a point; thence South and parallel to Section line between Sections 19 and 20 a distance of 577 feet to a point; thence Westerly along the 16th line between the NE $\frac{1}{4}$ of SE $\frac{1}{4}$ and the SE $\frac{1}{4}$ of SE $\frac{1}{4}$, Section 19, a distance of 726 feet to the place of beginning. ALSO, beginning at a point which is distant 726 feet Easterly from center of the Southeast quarter of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, along the 16th line; thence North and parallel to Section line between Sections 19 and 20 a distance of 577 feet to a point; thence Easterly a distance of 181 feet to a point; thence Southerly and parallel to Section line between Sections 19 and 20 a distance of 575.5 feet to a point; thence Westerly and parallel to Section line between Sections 19 and 30 and along 16th line a distance of 181 feet to a point of beginning. ALSO,

Beginning at a point which is 860 feet Northerly and 817' Westerly from the corner common to Sections 19, 20, 29 and 30, Township 38 South, Range 9 East of the Willamette Meridian; thence Westerly and parallel to Section line between Sections 19 and 30, 150 feet to a point; thence North 277.5 feet to a point; thence East 150 feet to a point; thence South 278 feet to place of beginning, being a portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 19, Township 38 South, Range 9 East of the Willamette Meridian. ALSO,

Beginning at a point 860 feet North of corner common to Sections 19, 20, 29 and 30, Township 38 South, Range 9 East of the Willamette Meridian and 817 feet Westerly and parallel to Section line between Sections 19 and 30, same Township and Range; thence Northerly and parallel to line between Sections 19 and 20 a distance of 467 feet, more or less, thence Easterly and parallel to line between Sections 19 and 30 a distance of 100 feet; thence Southerly

KLAMATH FALLS BRICK & TILE COMPANY

BY: William B. Smith President

BY: Richard W. Smith Secretary

BY: Richard W. Smith President

DATE: June 5, 1986

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PARCEL 1: (continued)
and parallel to Section line between Sections 19 and 20, a distance of 467.5 feet more or less; thence Westerly and parallel to line between Sections 19 and 30 a distance of 100 feet to the place of beginning. ALSO,
Beginning at a point which is 1137.5 feet North and 817 feet West from the corner common to Sections 19, 20, 29 and 30, Township 38 South, Range 9 East of the Willamette Meridian; thence Westerly and parallel to the Section line between Sections 19 and 30, 150 feet; thence South 189 feet; thence East 150 feet; thence North 189 feet to the place of beginning, being a portion of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, ALSO,

Beginning at a point which is the Southeast corner of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, thence Westerly along the Southerly line of Section 19 a distance of 558 feet to a point; thence Northerly and parallel with the Easterly line of Section 19 a distance of 350 feet to a point; thence Easterly and parallel with the Southerly line of Section 19 a distance of 558 feet to a point; thence Southerly along the Easterly line of Section 19 a distance of 350 feet to the point of beginning.

EXCEPTING THEREFROM THE FOLLOWING:

A tract of land situated in the Southeast quarter of the Southeast quarter of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, as follows:

Beginning at a point South 89° 38' West a distance of 10 feet from the Southeast corner of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence South 89° 38' West along Buena Vista Addition 283.53 feet; thence North 311.80 feet; thence East 278.53 feet; thence South 00° 55' 30" East 310.04 feet to the point of beginning, bearings based on Survey of March 8, 1962, as recorded in the Klamath County Surveyor's Office.

PARCEL 2:

Beginning at a point which is West 997½ feet North 350 feet distant from corner common to Sections 19, 20, 29 and 30, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon; thence North and parallel with Section line between Section 19 and 20 said Township and Range 480 feet to a point; thence Easterly and parallel with Section line between Section 19 and 20 a distance of 332½ feet to a point; thence Southerly parallel with Section line between Section 19 and 20 a distance of 480 feet; thence Westerly and parallel to Section line between Section 19 and 20 a distance of 332½ feet to the point of beginning, being located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon.

KLAMATH FALLS BRICK & TILE COMPANY

BY: [Signature] Resident

BY: [Signature] Secretary

BY: [Signature] President

DATE: June 5, 1986

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____
of _____ June _____ A.D. 19 86 at 10:18 o'clock A M., and duly recorded in Vol. 186 day
of _____ Mortgages _____ on Page 10404
Evelyn Biehn, _____
By _____ County Clerk

FEE \$17.00