

THIS AGREEMENT, made and entered into this 15th day of October, 19 87 by and between SKATELAND, INC. an Oregon corporation, formerly known as SKATELAND, a partnership

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

WITNESSETH: On or about the 3rd day of January, 19 78 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 \$ 450,000.00 payable in monthly installments with interest at the rate of 9.50 % 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 January 3, 19 78 conveying the following described real property, situate in the County of Klamath State of Oregon to-wit:

PARCEL 2:
The North 314.74 feet of Lot 2 in Block 3 of Tract 1080, WASHBURN PARK, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows: Beginning at the Northwest corner of said Lot 2, said point being on the Easterly right of way line of Washburn Way; thence South 89°56'30" East 400 feet to the Northeast corner of said Lot 2; thence South 00°03'30" West along the East line of said Lot 2, 314.74 feet; thence North 89°56'30" West 400 feet to the Easterly right of way line of said Washburn Way; thence North 00°03'30" East 314.74 feet to the point of beginning, containing 2.89 acres, more or less, EXCEPTING THEREFROM the Westerly 300 feet of the Northerly 135 feet of said Lot 2, containing .93 acre, more or less.

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 Two Hundred Forty Five Thousand One Hundred Fourteen and 63/100 ***** DOLLARS (\$ 245,114.63), 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 monthly installments of Four Thousand Seven Hundred Thirty Six and no/100* DOLLARS (\$ 4,736.00) each, including interest on the unpaid balance at the rate of 9.50 % per annum. The first installment shall be and is payable on the 3rd day of December, 19 87, and a like installment shall be and is payable on the 3rd 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 3rd day of January, 19 93. 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. *Interest only to be paid on November 3, 1987.

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.

Arthur L. Harris

Signature of Borrower

President

WESTERN BANK

Virginia M. Harris

Signature of Borrower

Vice Pres. & Treas.

Klamath Falls

Branch

State of Oregon

County of Klamath

Personally appeared the above named

Arthur L. Harris, President of Skateland, Inc.

By C. Marshall

Authorized Signature

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

2-24-91

10833

SAVING AND EXCEPTING that portion described in Release of Mortgage Without Waiver of Debt dated January 10, 1983, recorded January 31, 1983 in M83 Page 1645, described as follows: The North 314.74 feet of Lot 2 in Block 3 of Tract 1080 Washburn Park, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon, more particularly described as follows: Beginning at the Northwest corner of said Lot 2, said point being on the Easterly right of way line of Washburn Way; thence South 89°56'30" East 400 feet to the Northeast corner of said Lot 2; thence South 00°03'30" West along the East line of said Lot 2, 314.74 feet; thence North 89°56'30" West 400 feet to the Easterly right of way line of said Washburn Way; thence North 00°03'30" East 314.74 feet to the point of beginning, containing 2.89 acres, more or less, EXCEPTING THEREFROM the Northerly 202'24 feet of said Lot 2.

SKATELAND: a partnership

Arthur L. Harris, Individually & as Partner

Virginia M. Harris, Individually & as Partner

BAKER & BORTIS CONSTRUCTION (a partnership) 1000 Columbus Blvd. Suite 1000, New York, NY 10019-3998
 Like Baker & Bortis Construction, Inc. and B & B Construction, Inc. the firm is a partnership of two individuals, one of whom is a resident of New York City.

Jack M. Baker
Jack M. Baker, Individually & as Partner

Byron B. Bortis, Individually & as Partner

[illegible]

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

STATE OF OREGON,

County of Klamath

BE IT REMEMBERED, That on this 26th day of October, 1987,
before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within
named Arthur L. Harris and Byron B. Bortis, Jack M. Baker

known to me to be the identical individual 9 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.

Jean Burchett
Notary Public for Oregon.

Notary Public for Oregon.
My Commission expires 2-26-91

19874

STATE OF OREGON,

County of Clatsop } ss.
before me appeared Virginia M. Harris

On this 26th day of October, 1987,

known to me personally known, who being

duly sworn, did say that he, the said Virginia M. Harris

is the Vice President, and ~~he is the said~~ of SkateLand, Inc.

~~is the Secretary of~~ 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 Virginia M. Harris

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.

Verla Trump

Notary Public for Oregon.

My Commission expires 1-16-90

STATE OF OREGON,

County of Clatsop } ss.

BE IT REMEMBERED, That on this 26th day of October, 1987, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Virginia M. Harris

known to me to be the identical individual described in and who executed the within instrument and acknowledged to me that she 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.

Verla Trump

Notary Public for Oregon.

My Commission expires 1-16-90

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of WESTERN BANK the 3RD day of November A.D., 19 87 at 9:24 o'clock A M., and duly recorded in Vol. M87 on Page 19872 of Mortgages

Evelyn Biehn, County Clerk
By Ann Smith

FEE \$15.00