

THIS AGREEMENT, made and entered into this 31st day of December, 1987, by and between  
Gene R. Byrnes and Kathe L. Byrnes

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

WITNESSETH: On or about the 29th day of August, 1986, 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 \$9,000.00, payable in monthly installments with interest at the rate of 10% 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 August 29th, 1986, conveying the following described real property, situate in the County of Klamath, State of Oregon, to-wit:

LOTS 5 and 6, BLOCK 1, Resubdivision of Block 242, MILLS SECOND 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.....

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 EIGHT THOUSAND SIX HUNDRED ONE AND 39/100ths DOLLARS (\$8,601.39), 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 ONE HUNDRED AND NO/100ths DOLLARS (\$100.00) each, including interest on the unpaid balance at the rate of 11% per annum. The first installment shall be and is payable on the 1st day of January, 1988, and a like installment shall be and is payable on the 1st 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 1st day of September, 1996. 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.

BALLOON PAYMENT OF APPROXIMATELY \$4,993.43 DUE SEPTEMBER 1, 1996

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.

Gene R. Byrnes  
 Signature of Borrower Gene R. Byrnes  
Kathe L. Byrnes  
 Signature of Borrower Kathe L. Byrnes

WESTERN BANK

Klamath Falls Branch  
 By E. Marshall  
 Authorized Signature

State of Oregon }  
 County of Klamath Falls } SS:

Personally appeared the above named Gene R. Byrnes and Kathe L. Byrnes

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



Cecile Johnson  
 Notary Public for Oregon  
 My commission expires 1-15-90

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Aspen Title & Escrow the 31 day  
 of Dec, A.D., 1987 at 11:45 o'clock a M., and duly recorded in Vol. M87,  
 of Mortgages on Page 23247

FEE 5.00

Evelyn Biehn  
 By Bernetha H. Alcock County Clerk