

For value received I promise to pay to the order of
 Trendwest Participation No. 500

the sum of THREE THOUSAND AND NO/100THS----- Dollars (\$3,000.00)

in repayment of an additional advance upon said mortgagee's Loan No. 500 and this agreement is hereby made a part of the original Note as completely as if incorporated verbatim therein, and said Note is hereby referred to and made a part hereof.

It is agreed that the above stated amount, receipt of which is hereby acknowledged, shall be added to the present unpaid balance of said indebtedness and that the unpaid balance is as of this date, including such advance, the sum of SEVENTY-SIX THOUSAND AND NO/100THS-----

----- Dollars (\$76,000.00),

all of which the undersigned promise to pay with interest at 14.0 % per annum until paid and that the unpaid balance as of this date and interest shall be payable ^{or more} EIGHT HUNDRED EIGHTY-SIX AND 67/100THS-----

----- Dollars (\$ 886.67)

plus \$187.17 tax installment per month, the next payment being due on the tenth day of March, 1989, and that such payment shall be applied, first, to interest and balance to principal until said indebtedness is paid in full. In all other respects, said loan contract shall remain in full force and effect. I certify that I am the owner of said property subject to said indebtedness and that there are no other liens or claims against it.

THE INDEBTEDNESS evidenced by this Agreement is secured by a Deed of Trust dated February 22, 1989, recorded FEBRUARY 28, 1989 in Volume No. 1189 at Page 3511 in the Official Records of Klamath County, Oregon, encumbering the following described real property:

See Exhibit "A" attached hereto and by this reference made a part hereof.

This, the 22nd day of February, 1989.

James R. Lancaster (SEAL)
 James R. Lancaster

Janice M. Lancaster by James R. Lancaster (SEAL)
 Janice M. Lancaster by James R. Lancaster
 as Attorney in fact

Form for Notary is provided for users option.

STATE OF Oregon

COUNTY OF Klamath

} ss.

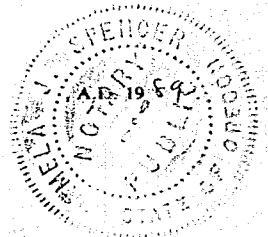
I, The Undersigned, a Notary Public in

and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT James R Lancaster individually & as Attorney in fact for Janice M Lancaster personally known to me to be the same person whose name is subscribed to the foregoing instrument,

appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument

as his free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of all rights under any homestead, exemption and valuation laws.

GIVEN under my hand and Notarial Seal, this 22nd day of February



THIS INSTRUMENT WAS PREPARED BY:

Pamela J. Janna
 Notary Public
 My commission expires 8-16-92

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1

W1/2 W1/2 W1/2 of Lot 1, Section 7, Township 29 South, Range 8, East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2

That parcel of land enclosed by a line starting at point 174.98 feet East from the Northwest corner of Section 7, Township 29 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, thence Easterly along the North boundary of said Section 7 for a distance of 382.6 feet, thence Southerly parallel to the West boundary of said Section 7 for a distance of 382.6 feet; thence Westerly along a line parallel to the Northern boundary of said Section 7 for a distance of 382.6 feet; thence Northerly parallel to the West boundary of said Section 7 for a distance of 382.6 feet to the Point of Beginning.

EXCEPTING THEREFROM that portion of Parcel No. 1 and Parcel No. 2 the portion of land more particularly described as follows: A tract of land located in Section 7, Township 29 South, Range 8 East of the Willamette Meridian; beginning at the intersection of the North boundary line of the Klamath Indian Reservation and the Easterly line of the Dalles-California Highway; thence Southeasterly along the Easterly line of said Highway 50 feet; thence Northeasterly parallel with the North line of said Klamath Indian Reservation 200 feet; thence Northwesterly parallel with the Easterly line of said Highway 50 feet to the North line of the Klamath Indian Reservation; thence Southwesterly along the said North line 200 feet to the True Point of Beginning.

Tax Account No: 2908 00700 00400 (Parcels 1 and 2)
2908 00700 00200 (Parcels 1 and 2)

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co. the 28th day
of FEB. A.D., 19 89 at 12:41 o'clock P.M., and duly recorded in Vol. M89,
of Mortgages on Page 3520.

FEE Fee13.00
Return: M.T.C.

Evelyn Biehn - County Clerk

By Quylene Neilsen