

AMENDMENT TO PROMISSORY NOTE AND TRUST DEED

FOR VALUE RECEIVED, the undersigned parties to that certain Trust Deed, dated November 16, 1987, executed and delivered by Loren W. Lobdell and Reanne L. Lobdell, husband and wife, Grantor, to Aspen Title and Escrow, Inc., an Oregon corporation, as Trustee, in which Earnest Edmund Wetzel and Fay J. Wetzel, husband and wife, with full rights of survivorship, are the Beneficiaries, recorded on November 20, 1987, in Volume M-87, page 21025, or as instrument number 81809, of the Mortgage Records of Klamath County, Oregon, and conveying real property in said county described as follows, to-wit:

Lot 4, Block 63, NICHOLS ADDITION TO THE CITY OF KLAMATH FALLS,
in the County of Klamath, State of Oregon,

agree that the said Trust Deed and Promissory Note shall be amended so as to insert and include those specific provisions as follows:

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1. TAX AND INSURANCE PAYMENT PROCEDURES: Until a change is requested, all tax statements shall be sent to the address designated by Loren W. and Reanne L. Lobdell (hereinafter Lobdell). Lobdell shall immediately upon receipt of such tax statements provide the same to Earnest E. and Fay J. Wetzel (hereinafter Wetzel). Lobdell shall maintain fire insurance on the premises and shall forward the premium invoices to Wetzel. Wetzel shall pay the real property taxes and insurance invoices within 30 days of receipt and cause them to be added to the principal balance due under the Promissory Note. Lobdell shall be required to pay (in addition to the payments of principal and interest provided for in the Promissory Note) one-twelfth (1/12th) of the annual taxes due for the then current tax year, and 1/12th of the fire insurance premium as calculated on an annual basis. The parties recognize that the taxes are presently in arrears, and that as a result of this arrearage, it will be necessary for Lobdell to pay no less than \$200.00 per month, until the unpaid principal balance, together with adjustments for real property taxes and insurance payments has been fully paid; provided however that if 1/12th of the annual fire insurance premium and 1/12th of the current year's real property taxes exceed \$200.00 per month, that the title company may adjust Lobdell's payments upwards (but not downwards) in an amount sufficient to reimburse Wetzel for the annual costs thereof. Aspen Title and Escrow, Inc., or its successor collection agent, shall be empowered by Collection Escrow Instructions to apply this additional payment received on a monthly basis to the unpaid principal balance owing hereunder. Wetzel agrees to pay the real property taxes and insurance, and to furnish Aspen Title and Escrow, Inc., or its successor collection escrow agent, and Lobdell with paid tax receipts and proof of payment of insurance each year, at which point Aspen Title and Escrow, Inc., or its successor collection escrow agent, shall be authorized and empowered to add the amounts so paid to the unpaid principal balance owing hereunder, such sum to bear interest at the rate provided for in the Promissory Note, to-wit: 10% per annum. Lobdell shall be responsible to pay any collection escrow fees now or hereafter charged for posting of the "add back", for amending or changing the monthly payment due hereunder, and for any other check issuance or other collection escrow fees.

2. LATE PAYMENT PENALTY: In addition to any other remedy afforded Wetzel herein, Wetzel shall be entitled to receive payment in the amount of \$18.25 (Eighteen and 25/100th's dollars) in addition to the regularly scheduled payments (\$365.00) and the tax and insurance payment (presently \$200.00 per month) required to be made by the Promissory Note and this Amendment, as and for a late payment penalty, should Lobdell fail to make any payment required to be made within ten (10) days of the date due. Wetzel shall be required to notify both Lobdell and Aspen Title and Escrow, Inc., or its successor collection agent, of the accrual of such late payment charge, which such charge shall be credited only as an additional charge to Lobdell, and not as a credit to either interest or principal. Wetzel may, in addition, request the issuance of a late notice by Aspen Title and Escrow, Inc., or its successor escrow agent, the cost of such late notice to be payable by Lobdell.

In construing this instrument, and whenever the context hereof so requires, the masculine includes the feminine, the singular includes the plural, the word "Grantor" or any reference herein to "Lobdell" shall include any successor in interest to the Grantors "Lobdell", and the word "Beneficiary" or any reference herein to "Wetzel" includes any successor in interest to the Beneficiary named in said Trust Deed and the Promissory Note secured by it.

IN WITNESS WHEREOF, the undersigned have hereunto executed this document the 6th day of January, 1991. 2.

Loren W. Lobdell
LOREN W. LOBDELL

Reanne L. Lobdell
REANNE L. LOBDELL

IT IS SO AGREED:

Ernest E. Wetzel
ERNEST E. WETZEL

Fay J. Wetzel
FAY J. WETZEL

STATE OF OREGON, County of Klamath)ss:

PERSONALLY APPEARED before me Loren W. Lobdell and Reanne L. Lobdell, and acknowledged the foregoing instrument to be their voluntary act and deed.

David Johnson
NOTARY PUBLIC FOR OREGON
My Commission Expires: 1-15-94

GRANTORS NAME AND ADDRESS:

GRANTEES NAME AND ADDRESS:

AFTER RECORDING, RETURN TO:
ASPEN TITLE & ESCROW, INC.
Coll#406

Until a Change is Requested,
Send Tax Statements to:
Loren & Reanne L. Lobdell
803 Lincoln Street
Klamath Falls, OR 97601

Fee \$13.00

STATE OF OREGON)
County of Klamath) ss.

I certify that the within instrument was received for record on the 8th day of Jan., 1992, at 10:49 o'clock A.M., and recorded in Book M92 on Page 419 or as File Reel Number 39563, Record of Deeds of said County. Mortgages

WITNESS my hand and seal of County affixed.

Evelyn Biehn, County Clerk

Recording Officer
By: Douglas Muelendorp
Deputy