

MODIFICATION OF PROMISSORY NOTE AND ESCROW AGREEMENT  
AND EXTENSION OF TERMS OF TRUST DEED

Reference is made to that Promissory Note dated December 5, 1986 in the principal sum of \$30,213.17, made in Klamath Falls, Oregon, whereas David L. Terhune and Jean H. Terhune, husband and wife (hereinafter "Terhune"), are the beneficiaries and Dale L. Brush and Betty Jo Brush (hereinafter "Brush") are the obligors.

Reference is made to certain deed of trust dated December 5, 1986, wherein Dale L. Brush and Betty Jo Brush, husband and wife, are the grantors, Aspen Title & Escrow, Inc. is the trustee, and David L. Terhune and Jean H. Terhune, husband and wife, are beneficiaries. The trust deed was recorded December 8, 1986 in Klamath County Deed Records, Volume M86, page 22544.


Further reference is made to that certain escrow at Aspen Title & Escrow, Inc., Klamath Falls, Oregon, Escrow number M-30596. The parties desire to amend the terms of the Promissory Note and the Escrow instructions as follows:

- (1) The payment of insurance and taxes will be made directly by Brush, and documentation will be submitted on an annual basis to Terhune.
- (2) Terhune will continue to be listed as the insured party in the event of loss.
- (3) The principal balance of the Note \$ 27,987.82 shall be reamortized, payable over 15 years from the date of this agreement at 9% annual rate of interest on all outstanding principal. Payments shall be due on the 8th day of each month.
- (4) Every payment not received by the 20th day of each month in which the payment is due shall be charged a late payment fee of \$35.
- (5) The deed of trust contains a "due on sale clause", which provision is enforceable upon transfer by Brush.
- (6) Brush shall have no pre-payment penalty. Any pre-payment by Brush shall go directly to the principal. The pre-payment shall not forgive the due date of the next monthly payment due.


DATED this 29th day of November, 1991.

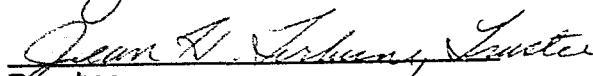
  
David L. Terhune

  
Dale L. Brush

  
Jean H. Terhune

  
Betty Jo Brush

  
Trustee  
David L. Terhune Trust Under  
Agreement dated Feb. 24, 1992

  
Trustee  
Jean H. Terhune Trust Under  
Agreement dated Feb. 24, 1992

STATE OF OREGON,

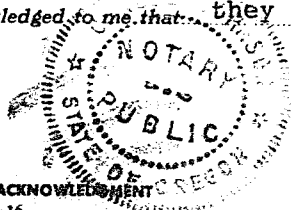
County of Klamath

ss.

BE IT REMEMBERED, That on this 29th day of November, 19 91, before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named David L. Terhune and Jean H. Terhune and Dale L. Brush and Betty Jo Brush

known to me to be the identical individual<sup>s</sup> 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.



Notary Public for Oregon.

My Commission expires 1-15-94GENERAL ACKNOWLEDGMENT  
Form No. 0-16STATE OF OREGON: COUNTY OF CLATSOP ss.

Filed for record at request of Aspen Title Co. the 3rd day of April A.D., 19 92 at 10:37 o'clock A M., and duly recorded in Vol. M92 of Mortgages on Page 7034.

FEE \$15.00

Evelyn Biehn, County Clerk

By Pauline Mulender

Return: ATC