

MEMORANDUM OF LOAN MODIFICATION AGREEMENT

The undersigned ("Borrower"), whose address is 5550 Tingley Lane, Klamath Falls, Oregon 97603, and Farm Credit Bank of Spokane, whose address is c/o Farm Credit Services, 900 Klamath Avenue, P.O. Box 148, Klamath Falls, Oregon 97601 ("Lender") entered into that certain Loan Modification Agreement signed on April 17, 1992 ("Agreement") to amend the Note dated January 4, 1984, and any amendments thereto (the "Original Note") and Mortgage dated January 4, 1984, recorded on January 19, 1984, as Instrument No. 32689 in Book H84, Page 1022, records of Klamath County, State of Oregon, and any amendments thereto (the "Loan Documents"), encumbering the real and/or personal property described therein, reference to which is made for the terms and the description of property. This Memorandum is an abstract of the Agreement. The Agreement provides for the indexing and adjustment of the interest rate, payment terms or balance due on the obligation evidenced by the Original Note and Loan Documents. The Original Note as amended by the Agreement is hereinafter referenced as the "Note". The interest rate, payment terms or balance due under the Note and Loan Documents may be indexed, adjusted, renewed or renegotiated. The principal sum owing under the Note and Loan Documents as of the effective date of the Agreement is increased to \$36,700.00.

Dated: April 17, 1992

BORROWERS:

Tiburcio Alvarez
Tiburcio Alvarez
Camilla Alvarez
Camilla Alvarez

LENDER: Farm Credit Bank of Spokane,
successor by merger to the
Federal Land Bank of Spokane.

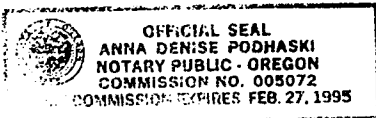
By: Craig W. Crider
Craig W. Crider, Branch Manager

STATE OF OREGON)

: ss.

County of Klamath)

On this 17 day of April, 1992, before me personally appeared Craig W. Crider, known to me to be an authorized agent of the corporation that executed the within instrument, and acknowledged to me that such corporation executed the same as its free act and deed; and on oath stated that he was authorized to execute said instrument



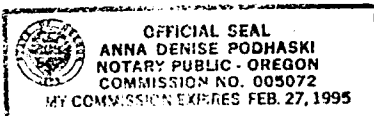
Anna Denise Podhaski
Notary Public for the State of Oregon
Residing at Klamath Falls
My commission expires 2/27/95

STATE OF OREGON)

: ss.

County of Klamath)

On this 17 day of April, 1992, before me personally appeared Tiburcio Alvarez and Camilla Alvarez, husband and wife, known to me to be the persons described in and who executed the within instrument, and acknowledged that they executed the same as their free act and deed.



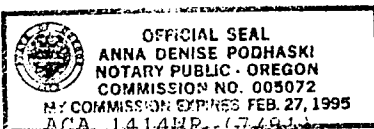
Anna Denise Podhaski
Notary Public for the State of Oregon
Residing at Klamath Falls
My commission expires 2/27/95

STATE OF OREGON)

: ss.

County of Klamath)

On this 17 day of April, 1992, before me personally appeared Tiburcio Alvarez Jr., a single person, known to me to be the person described in and who executed the within instrument, and acknowledged that he executed the same as his free act and deed.



Anna Denise Podhaski
Notary Public for the State of Oregon
Residing at Klamath Falls
My commission expires 2/27/95

10963

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Farm Credit Services the 20th day
of May A.D., 19 92 at 3:24 o'clock P M., and duly recorded in Vol. M92
of Mortgages on Page 10962.

FEE \$15.00

Evelyn Biehn County Clerk

By Darlene Williams

Return: Farm Credit Services
P.O. Box 148
Klamath Falls, Or. 97601