

ESTOPPEL/WAIVER AGREEMENT

(MORTGAGE)

THIS AGREEMENT is made as of the 28th day of June, 1994 by FIRST INTERSTATE BANK OF OREGON, N.A., in its fiduciary capacity as trustee (the "Trustee"), in its individual capacity as bondholder (the "Bank") (collectively, the "Mortgagee"); JELD-WEN, inc. (the "Lessee" or the "Assignor"); and GENERAL ELECTRIC CAPITAL CORPORATION as agent for itself and certain participants (the "Lessor").

WITNESSETH:

WHEREAS, Trustee is the duly appointed and acting trustee under that certain Indenture of Trust dated as of November 1, 1985 between the State of Oregon Economic Development Commission and the Trustee for the benefit of the holder of the \$1,000,000.00 State of Oregon Economic Development Revenue Bond, Series CXII (Jeld-Wen, inc. Project) (the "Bond"). Bank is the sole holder of the Bond;

WHEREAS, Trustee was granted a mortgage dated as of November 1, 1985 by Lessee (as from time-to-time amended or supplemented, the "Indenture") as security for payment and performance of Lessee's obligations under and in connection with the Bond. The Indenture encumbers certain real estate described in Exhibit A attached to this Agreement and by this reference made a part of it (the "Premises");

WHEREAS, Lessee has requested that Lessor lease to Lessee certain equipment (the "Equipment") pursuant to an Equipment Lease Agreement dated as of June 28, 1994 (as from time-to-time amended, modified or supplemented, the "Equipment Lease") between Lessor and Lessee. The Equipment is more particularly described in the Equipment Lease;

WHEREAS, Lessor has required that Mortgagee and Lessee enter into this Agreement to memorialize certain agreements between and among Mortgagee, Lessee and Lessor.

NOW, THEREFORE, in order to induce Lessor to lease the Equipment to Lessee pursuant to the Equipment Lease and in consideration of it so doing, Mortgagee, Lessee and Lessor hereby agree as follows:

1. Right of Lessor to Receive Notice of and to Cure Defaults. Lessor hereby requests and Mortgagee and Lessee hereby agree to give Lessor copies of any and all notices given or received under the Indenture, including, without limitation, notices of default in the performance of the covenants of the Indenture and notices of termination of the Indenture. Such notices shall be provided to Lessor at the address specified in Section 5 below, and the provisions of Section 5 shall govern any

notice provided to Lessor pursuant to this Section 1. Lessor shall have the right within the respective periods as prescribed in Section 2 below to take such action or to make such payment as may be necessary to cure any default of Lessee under the Indenture to the same extent and with the same effect as though done by Lessee.

2. Lessor's Grace Period to Cure Defaults. If Lessee breaches the Indenture, Mortgagee agrees that it will not seek to exercise any remedy under the Indenture, including, but not limited to, terminating the Indenture or invoking its right to take possession of the Premises, or any of the improvements, fixtures and personalty thereon, if Lessor shall cure the default within the time for Lessee to cure said default. Lessor shall not be required or obligated to cure any defaults by Lessee under the Indenture. Lessee agrees to pay Lessor, upon demand, all such amounts paid or expended by Lessor, together with interest thereon from the date such amounts are expended by Lessor until the date repaid, at a rate per annum equal to the Late Charge Rate (as such term is defined in the Equipment Lease).

Notwithstanding any other provisions contained in this Agreement or in the Indenture, Mortgagee shall be obligated to give Lessor notice of Lessee's failure to cure any defaults within the applicable cure period, if any.

3. Protection to Lessor. So long as the Equipment Lease and/or the Ground Lease shall continue in force and effect, Mortgagee agrees that it will not amend the Indenture without the prior written consent of Lessor. Any such amendment made without the prior written consent of Lessor shall be void and ineffective.

4. Representations. Mortgagee and Lessee hereby represent and certify to Lessor and its successors and assigns that as of the date hereof:

(a) The Indenture is in full force and effect and has not been modified, altered or amended, except as described in this Agreement. There are no agreements between Mortgagee and Lessee with respect to the Premises other than the Indenture and other than the other documents executed in connection with the issuance of the Bond. Lessee represents it has delivered to Lessor a true and complete copy of the Indenture and all amendments and assignments thereof.

(b) No notice of default or event of default has been delivered to either Mortgagee or Lessee; to the best knowledge of Mortgagee and Lessee, neither Mortgagee nor Lessee is in default under any covenant, agreement or condition contained in the Indenture; and to the best knowledge of Mortgagee and Lessee, no event has occurred or condition exists which, with the giving of notice or the passage of time or both, could give rise to a default.

or event of default by Lessee or Mortgagee under the Indenture.

(c) Lessee has fulfilled all of its obligations under the Indenture through the date hereof.

(d) The term of the Indenture commenced, or will commence, on November 1, 1985, and the scheduled termination date of the Indenture is December 31, 1997.

(e) All amounts due and owing under the Indenture have been paid through December 31, 1993.

(f) Mortgagee represents that the Indenture has not been assigned by Mortgagee by operation of law or otherwise, and Mortgagee is not the subject of any bankruptcy, insolvency or similar proceeding in any federal, state or other court or jurisdiction. Lessee represents that the Indenture has not been assigned by Lessee by operation of law or otherwise, and Lessee is not the subject of any bankruptcy, insolvency or similar proceeding in any federal, state or other court or jurisdiction.

(g) Mortgagee represents that Mortgagee has not received any notice of any present violation of any federal, state, county or municipal laws, regulations, ordinances, orders and directives relating to the use or condition of the Premises or the improvements, fixtures or personalty thereon, and Mortgagee has not received any notice from any insurance company of any defect or inadequacy in the improvements on the Premises. Lessee represents that Lessee has not received any notice of any present violation of any federal, state, county or municipal laws, regulations, ordinances, orders and directives relating to the use or condition of the Premises or the improvements, fixtures or personalty thereon, and Lessee has not received any notice from any insurance company of any defect or inadequacy in the improvements on the Premises.

5. Lessor's Superior Interest in the Equipment.

(a) Mortgagee waives each and every right which Mortgagee now has or hereafter may have under the laws of the state in which the Premises is located, or by virtue of the Indenture, or Lessee's occupation of the Premises, or otherwise, to levy or distraint upon the Equipment which now is or hereafter may be installed on the Premises, for rent, in arrears, in advance, or both, or for any monetary obligation arising by reason of default under the Indenture, or to claim or assert any lien, right, claim or title to any or all of the Equipment which now is or hereafter may be installed on the Premises.

(b) Mortgagee agrees that the Equipment (1) is intended to be personal property notwithstanding the manner or mode

of the attachment of any item of the Equipment to the Premises, and (2) it shall not assert that the Equipment is or has become or is deemed to be a "fixture."

(c) Mortgagee recognizes and acknowledges that Lessor's interest in the Equipment is superior to any lien, right or claim of title of any nature which Mortgagee now has or hereafter may have or assert in or to the Equipment by statute, the Indenture, other agreement, or otherwise.

6. Removal of the Equipment. In the event of default by Lessee in the payment or performance of any of Lessee's liabilities or obligations under the Equipment Lease or the occurrence of any other "Default" under the Equipment Lease, Lessor may remove the Equipment or any part thereof from the Premises in accordance with the terms and conditions of the Equipment Lease and statutory law appertaining thereto without objection, delay, hindrance or interference by Mortgagee, and, in such case, Mortgagee will make no claim or demand whatsoever against the Equipment. In the event of any such default by Lessee or other "Default" under the Equipment Lease, notwithstanding any default under the Indenture, Mortgagee agrees that, at Lessor's option, the Equipment may remain upon the Premises free of rent or any charge for use and occupancy for a period not exceeding three (3) months after the receipt by Lessor of written notice from Mortgagee directing removal.

7. Modifications to the Equipment Lease. Lessor may, without affecting the validity of this Agreement, extend, amend or in any way modify the terms of the Equipment Lease, including, without limitation, the terms of payment or performance of any of Lessee's liabilities or obligations thereunder, without the consent of Mortgagee and without giving notice thereof to Mortgagee.

8. Cooperation. Mortgagee and Lessee fully shall cooperate with Lessor in connection with Lessor's exercise of its rights hereunder and under the Equipment Lease.

9. Notices. All notices, demands or requests desired or required to be given under this Agreement or under the provisions of the Indenture shall be in writing and shall be deemed given if personally served or sent by certified mail, postage prepaid, return receipt requested, or by a nationally recognized overnight courier, addressed:

if to Mortgagee, to:

FIRST INTERSTATE BANK OF OREGON, N.A.
Oregon Corporate Division
P. O. Box 3131
Portland, Oregon 97208-3131

if to Lessor, to:

GENERAL ELECTRIC CAPITAL CORPORATION
Suite 5000
8480 East Orchard Road
Englewood, Colorado 80111

if to Lessee, to:

JELD-WEN, inc.
3250 Lakeport Boulevard
Klamath Falls, Oregon 97601
Attention: Gary Florence

Each party may from time-to-time change its address for purposes of receiving notices, demands or requests by giving notice of such changed address in the manner aforesaid. Notices, demands and requests given by mail in the manner aforesaid shall be deemed served or given for all purposes under this Agreement four (4) days after the time such notice, demand or request shall be deposited in the mails and one (1) business day after the time such notice, demand or request shall be deposited with the overnight courier.

10. Miscellaneous. The terms and provisions of this Agreement shall be construed in accordance with the laws of the State of New York. The captions and headings contained in this Agreement are for convenience only and are not intended, nor shall they be considered, to limit in any way the provisions of this Agreement. Whenever in this Agreement the context so requires, the singular number shall be deemed to include the plural and vice versa, and any gender in this Agreement shall be deemed to include the masculine, feminine, or neuter. Each provision of this Agreement shall be deemed to be separable, and if for any reason any one or more of the provisions of this Agreement is determined to be invalid under any law or decision now or hereafter existing, such invalidity shall not impair the operation or effect of any other provision of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors, assigns and legal representatives.

11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original,

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22987

but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Lessee:

JELD-WEN, inc.

Mortgagee:

FIRST INTERSTATE BANK OF
OREGON, N.A., TRUSTEEBy *L. O. Hume*
Title TREASURERBy _____
Title _____

"Trustee"

Lessor:

GENERAL ELECTRIC CAPITAL
CORPORATION, AS AGENT FOR
ITSELF AND CERTAIN
PARTICIPANTSFIRST INTERSTATE BANK OF OREGON,
N.A., BONDHOLDERBy _____
Title _____

"Bank"

By _____
Title _____Return: Ober, Kaler, Grimes & Shriver
120 E. Baltimore St
Baltimore, MD 21202-1643

but all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

Lessee:

JELD-WEN, inc.

By _____
Title _____

Mortgagee:

FIRST INTERSTATE BANK OF
OREGON, N.A., TRUSTEE

By [Signature]
Title Vice President
"Trustee"

Lessor:

GENERAL ELECTRIC CAPITAL
CORPORATION, AS AGENT FOR
ITSELF AND CERTAIN
PARTICIPANTS

FIRST INTERSTATE BANK OF OREGON,
N.A., BONDHOLDER

By [Signature]
Title Vice-President
"Bank"

By [Signature]
Title Manager

LEGAL DESCRIPTION

22989

PARCEL 1

A tract of land situated in Lots 3, 4, 5, 6, 7, 8, 10 and 11, Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at an iron pin located North 7°15' West a distance of 1433.3 feet from the iron pipe marking the center quarter corner of said Section 19; thence South 10°20' East parallel with Lakeport Boulevard a distance of 1396.45 feet to an iron pin on the Northerly right of way line of the Shippington "E" line spur tract, said iron pin being 12.5 feet distance at right angles from the center line of said spur track; thence Westerly parallel with and 12.5 feet distant at right angles from said spur track to a point of intersection with the Northerly right of way of the old Earl Fruit Company spur track, said point being 30 feet distant at right angles from the center line of the old Earl Fruit Company spur track; thence Northwesterly parallel with and 30 feet North-easterly at right angles from the center line of the old Earl Fruit Company spur track on 12°30' curve to the right to a point which is located South 796.8 feet from the Northeast corner of the old Earl Fruit Company tract; thence North a distance of 796.8 feet to the Northeast corner of the old Earl Fruit Company tract; thence South 89°23' West a distance of 1170 feet, more or less, to the intersection of the Westerly line of said Lot 8; thence North 10°20' West (North 10°30' West by Deed record) along the Westerly line of said Lot 8 to the line between said Lots 7 and 8; thence North 89°47½" East along said lot line to a point that bears South 86°34' West from the point of beginning; thence North 86°34' East to the point of beginning.

PARCEL 2

A tract of land situated in Lots 5, 6, and 7, Section 19, and Lots 1, 5, and 6, Section 18, all in Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows:

Beginning at an iron pin which is North 7°15' West a distance of 1433.3 feet from the iron pin marking the center quarter corner of said Section 19, said iron pin being South 10°20' East a distance of 1070.88 feet and South 79°40' West a distance of 1055.96 feet from the gas pipe monument on the Northwest corner of Pelican City Subdivision; thence North 79°40' East at right angles to Lakeport Blvd. a distance of 1055.96 feet to an iron pin on the Westerly right of way line of Lakeport Blvd.; thence Northerly along the

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PARCEL 2 (continued)

Westerly right of way line of Lakeport Blvd. to an iron pin that is North 89°54' West a distance of 78.32 feet and North 23°49' West a distance of 128.77 feet from the gas monument on the Northwest corner of Pelican City Subdivision, said gas pipe monument being North 89°54' West a distance of 1995.5 feet from the Southeast corner of said Section 18; thence South 79°40' West a distance of 182.53 feet to an iron pin on the Westerly line of old Pelican Bay Lumber Co. spur track; thence Southerly and Westerly along the Westerly and Northerly line of said spur track to an iron pin which is South 79°40' West a distance of 579.34 feet from the gas pipe monument on the Northwest corner of Pelican City Subdivision; thence North 10°20' West a distance of 253.0 feet to an iron pin; thence South 79°40' West a distance of 860.36 feet; thence North 10°20' West a distance of 192.3 feet; thence South 79°40' West to the Westerly boundary of Lot 7 said Section 19; thence South 10°20' East (South 10°30' East by Deed record) along the Westerly boundary of Lot 7, said Section 19 to the line between Lots 7 and 8, said Section 19; thence North 89°47½' East along said Lot line to a point that bears South 86°34' West from the point of beginning; thence North 86°34' East to the point of beginning.

PARCEL 3

A tract of land situated in Lots 4 and 5, Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at an iron pin on the Westerly right of way line of Lakeport Boulevard, said point being South 10°20' East a distance of 1070.88 feet from the gas pipe monument on the Northwest corner of "Pelican City" subdivision said gas pipe monument being North 89°54' West a distance of 1995.5 feet from the Northeast corner of said Section 19; thence South 79°40' West at right angles to Lakeport Boulevard a distance of 1055.96 feet to an iron pin, said point being North 7°15' West a distance of 1433.3 feet from the iron pipe marking the center ½ corner of said Section 19; thence South 10°20' East parallel with Lakeport Boulevard a distance of 1396.45 feet to an iron pin on the Northerly right of way line of the Shippington "E" spur tracks; thence Easterly along said spur track to its intersection with the Westerly right of way line of Lakeport Boulevard; thence North 10°20' West along said right of way to the point of beginning.

PARCEL 4

A portion of the SE¼NE¼, the NE¼SE¼ and of Lot 4, all in Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at a point which is South 10°20' East a distance of 60 feet from the Southwest corner of Block 4, "Pelican City", Klamath County, Oregon, and running thence North 79°40' East 309 feet to
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PARCEL 4 (continued)

to the Westerly line of the right of way of the California North-eastern Railway; thence Southeasterly along said right of way and 50 feet distant at right angles from the centerline thereof, the following courses and distances: South 21°17' East 100 feet; South 24°10' East 100 feet; South 27°06' East 100 feet; South 30°08' East 100 feet; South 32°52' East 100 feet; South 35°30' East 100 feet; South 38°55' East 100 feet; South 41°34' East 100 feet; South 44°31' East 100 feet; South 47°11' East 100 feet, South 50°43' East 100 feet; South 48°00' East 44 feet to a point which is distant 25 feet Northerly at right angles from the centerline of the Shippington "E" spur; thence Westerly parallel to and 25 feet distant Northerly at right angles from the centerline of said Shippington "E" spur, with the following courses and distances, North 68°27' West 721.5 feet; North 70°06' West 100 feet, North 72°54' West 100 feet; thence North 76°42' West a distance of 30 feet, more or less to a point on the centerline of Lakeport Boulevard; thence North 10°20' West along the centerline of said Lakeport Boulevard to a point which is on the said centerline and is South 79°40' West a distance of 30 feet from the place of beginning; thence North 79°40' East 30 feet to the place of beginning, less right of way for Lakeport Boulevard.

PARCEL 5

Beginning at an iron pin on the Westerly right of way line of Lakeport Boulevard as it is presently located, said point being North 89°54' West a distance of 78.32 feet and North 23°49' West a distance of 128.77 feet from the gas pipe monument on the Northwest corner of "Pelican City" Subdivision, said gas pipe monument being North 89°54' West a distance of 1995.5 feet from the Southeast corner of Section 18; thence South 79°40' West a distance of 182.53 feet to an iron pin on the Westerly line of the old Pelican Bay Lumber Company spur tract; thence Southerly and Westerly along the Westerly and Northerly line of said spur tract to an iron pin which is South 79°40' West a distance of 579.34 feet from the gas pipe monument on the Northwest corner of "Pelican City" Subdivision; thence North 10°20' West a distance of 253.0 feet to an iron pin; thence South 79°40' West a distance of 860.36 feet; thence North 10°20' West a distance of 192.3 feet; thence South 79°40' West to the Westerly boundary of Lot 7, Section 19; thence North 10°20' West along said Lot line and the Westerly line of Lot 5, said Section 18, a distance of 100.0 feet; thence North 79°40' East to an iron pipe on the point of intersection with the Southwesterly right of way line of the railroad spur tract known as "Hanks Spur"; thence Southeasterly parallel to and 50 feet distant at right angles from the center line of said spur tract to its intersection with the Westerly right of way line of Lakeport Boulevard as it is presently located; thence Southerly along said right of way line to the point of beginning.

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EXCEPTING THEREFROM the following described tract of land: A tract of land situated in Lot 1, Section 18, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, more particularly described as follows: Beginning at an iron pin located North 89°54' West a distance of 78.32 feet; North 23°48' West a distance of 128.77 feet and North 73°10' West a distance of 151.55 feet from the gas pipe monument on the Northwest corner of "Pelican City" Subdivision, said gas pipe monument being North 89°54' West a distance of 1995.5 feet from the Southeast corner of said Section 18; thence North 86°13'30" West along the Northerly line of a 20 foot roadway a distance of 57.90 feet to an iron pin; thence Northwesterly along the Northeasterly line of said roadway on a curve to the left a distance of 114 feet, more or less, to an iron pin (the long chord of said curve bears North 70°36'30" West a distance of 111.77 feet); thence North 9°43'30" West along the Easterly line of a roadway a distance of 208.40 feet to an iron pin; thence leaving said roadway at a right angles thereto North 80°11'30" East a distance of 52.00 feet to an iron pin; thence North 9°48'30" West a distance of 5.00 feet to an iron pin; thence North 80°11'30" East a distance of 111.60 feet; thence following the arc of a curved fence line to the right the following courses and distances: South 40°09' East 37.35 feet; South 21°33' East 64.7 feet; South 7°03' East 65.78 feet; South 3°58' West, 72.4 feet; and South 13°39' West 34.45 feet, more or less to the point of beginning.

PARCEL 6

Beginning at an iron pin located on the intersection of the North-easterly right of way line of the railroad spur known as "Hanks Spur" and the South line of Section 18, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, said point being South 89°54' East; a distance of 215.85 feet from the gas pipe monument marking the Northwest corner of "Pelican City" Subdivision, said gas pipe monument being North 89°54' West a distance of 1995.5 feet from the Southeast corner of said Section 18; thence Northwesterly parallel with and 50 feet distant at right angles from the centerline of said railroad spur a distance of 1130 feet, more or less, to an iron pin, said pin being North 34°23' West a distance of 982.8 feet from the gas pipe monument on the Northwest corner of "Pelican City"; thence North 40°37' East a distance of 149.8 feet to an iron pin located on the Southwesterly right of way of the Southern Pacific Railroad thence Southeasterly parallel with and 50 feet distant at right angles from the centerline of said railroad to an iron pin at the intersection with the South line of said Section 18; thence North 89°54' West a distance of 56.35 feet (58.3 feet by Deed record) more or less, to the point of beginning.

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EXCEPTING from the above described parcels the following:

22993

The following described real property situate in Klamath County, Oregon:

A tract of land situate in Section 19, Township 38 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon, lying Northerly and Easterly of the Shippington Canal, more particularly described as follows:

Beginning at a point on the northerly right of way line of Harbor Isles Blvd., from which the center $\frac{1}{2}$ corner of said Section 19 bears $87^{\circ}03'39''$ West 30.66 feet; thence North $11^{\circ}13'15''$ West 535.52 feet; thence North $09^{\circ}32'22''$ East 1206.27 feet; thence North $41^{\circ}30'52''$ West 146.90 feet; thence North $10^{\circ}33'00''$ West 300 feet; thence North $44^{\circ}53'31''$ West 79.37 feet; thence along the arc of a curve to the left (Radius = 200 feet, central angle = $23^{\circ}12'06''$) 80.99 feet; thence North $68^{\circ}05'37''$ West 126.71 feet to a point A of this description; thence South $82^{\circ}00'00''$ West 200 feet, more or less, to the southerly edge of the mean high water in an existing canal; thence westerly and southerly along the mean high water in said canal and along the mean high water of Upper Klamath Lake to a point that bears South $46^{\circ}09'53''$ West 1510.10 feet from said point A; thence South $88^{\circ}27'17''$ East 279.89 feet; thence along the easterly bank of the said Shippington Canal: along the arc of a curve to the right (radius = 595.00 feet, central angle = $87^{\circ}24'40''$) 907.74 feet; South $01^{\circ}05'56''$ East 224.07 feet; along the arc of a curve to the left (radius = 475.00 feet, central angle = $46^{\circ}35'39''$) 386.28 feet and South $47^{\circ}41'35''$ East 91.34 feet; thence South $79^{\circ}04'52''$ East 258.68 feet; thence South $23^{\circ}48'08''$ East 31.27 feet to the northerly right of way line of said Harbor Isles Blvd.; thence along said right of way line: along the arc of a curve to the left (radius point bears North $11^{\circ}14'26''$ East 225.00 feet, central angle = $23^{\circ}26'26''$) 92.05 feet, North $77^{\circ}48'00''$ East 350.00 feet to the point of beginning, containing 55 acres, more or less, with bearings based on Survey No. 2959 as recorded with the Klamath County Surveyor.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Ober, Kaler et al the 27th day
of July A.D., 1994 at 11:16 o'clock A.M., and duly recorded in Vol. M94
of Mortgages on Page 22982

FEE \$65.00

Evelyn Biehn - County Clerk

By [Signature]