

97 MAR 20 P2:22

After recording return to:

Customer/Contract No. 1484/302

Northwest Farm Credit Services, ACA  
P.O. Box #148  
Klamath Falls, OR 97601

### MODIFICATION OF REAL ESTATE CONTRACT

THIS MODIFICATION OF REAL ESTATE CONTRACT ("Agreement") is between Northwest Farm Credit Services, ACA ("Seller") and Robert A. Valladao and Roberta E. Valladao ("Purchasers").

WHEREAS, Seller and Purchasers desire to amend that certain Real Estate Contract ("Contract") dated November 26, 1986, recorded December 3, 1986, as Instrument No. 68857, Book M86, Page 22202, Real Property Records of Klamath County, Oregon.

NOW, THEREFORE, the parties agree to amend the Contract as follows:

Effective March 1, 1997, the remaining amount due of \$135,325.01 shall be reamortized, with interest to be adjusted to and to accrue on this amount at the AgAmerica, FCB, Variable Base Rate ("FCB Variable Base") plus 1.85% per annum. The FCB Variable Base is a per annum interest rate determined from time to time by Seller in its sole discretion. The effective date of each change in the FCB Variable Base shall be determined by Seller in its sole discretion. The FCB Variable Base will increase or decrease to reflect those changes. The FCB Variable Base plus 1.85% is 9.4% per annum as of March 1, 1997.

The first installment shall be payable on or before the first day of January 1998, and thereafter on the first day of each succeeding year with a final installment due on or before the first day of January 2012, of all remaining amounts due. The installments shall be of principal and interest in an amount sufficient to fully amortize the Contract over the term and at the interest rates provided for above. The amount of each of the above-referenced installments shall be computed by Seller consistent with the above terms.

The following new section is added to the contract: Purchasers acknowledge and agree that their obligation under this contract shall also be secured by Seller's security interest under a security agreement dated March 1, 1997.

Seller is to make any change in installment due dates that may be required by the terms of this Agreement. If the Contract is held in a third party escrow, this Agreement is conditioned upon the escrow holder's acceptance of this Agreement, related documents, and any changes in instructions. Except as modified herein, the Contract shall remain in full force and effect, with all other terms remaining unchanged and hereby being ratified.

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Dated February 28, 1997

## PURCHASERS

Robert A. Valladao  
Robert A. Valladao

Roberta E. Valladao  
Roberta E. Valladao

Address:

P.O. Box #321

Bly, OR 97622

STATE OF OREGON)

) ss:

County of Klamath )

Personally appeared before me this 18 day of March, 1997, Stephen D. Revis, known to me to be a Branch Manager of the corporation that executed the foregoing instrument and acknowledged said instrument to be the free and voluntary act of said corporation, for the uses and purposes therein mentioned, and that it executed the same, and on oath stated that he was authorized to execute said instrument.



## SELLER

Northwest Farm Credit Services, ACA

By: Stephen D. Revis  
Stephen D. Revis  
Branch Manager - Credit Division

Address:

P.O. Box #148

Klamath Falls, OR 97601

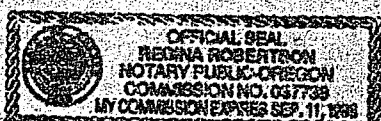
Regina Robertson  
NOTARY PUBLIC FOR OREGON  
My commission Expires: 9-11-98

STATE OF OREGON)

) ss:

County of Klamath )

Personally appeared before me this 18 day of March, 1997, the above named Robert A. Valladao and Roberta E. Valladao and acknowledged the foregoing instrument to be their voluntary act and deed.



Regina Robertson  
NOTARY PUBLIC FOR OREGON  
My Commission Expires: 9-11-98

STATE OF OREGON - COUNTY OF KLAMATH - ss.

Filed for record at request of Northwest Farm Credit Services the 20th day  
of March A.D. 19 97 at 2:22 o'clock P.M., and duly recorded in Vol. M97  
of Deeds on Page 8259

FEE \$15.00

by Bernetha G. Letsch County Clerk  
Kathleen Brown