

in or to the lien or any benefits hereof. All rents, profits, and income, including any amounts arising out of an agreement by which the Borrower substantially reduces its use of the property in return for payments, are hereby assigned to the Government for the purpose of discharging the debt hereby secured. Permission is hereby given to the Borrower, so long as no default exists hereunder, to collect such rents, profits and income for use in accordance with the provisions of the borrower's agreement with Farmers Home Administration and the applicable regulations.

(13) At all reasonable times the Government and its agents may inspect the property to ascertain whether the covenants and agreements contained herein or in any supplementary agreement are being performed.

(14) This instrument secures to the Government the repayment of the debt evidenced by the note, including all adjustments, renewals, extensions or modifications in the interest rate, payment terms or balance due on the loan; the payment of all other sums, with interest, advanced under paragraph 4; and the performance of Borrower's covenants and agreements under this instrument and the note. The Government may (a) adjust the interest rate, payment terms or balance due on the loan, (b) increase the mortgage by an amount equal to deferred interest on the outstanding principal balance, (c) extend or defer the maturity of, and renew and re-schedule the payments on, the debt evidenced by the note or any indebtedness to the Government secured by this instrument, (d) release any party who is liable under the note or for the debt from liability to the Government, (e) release portions of the property and subordinate its lien, and (f) waive any other of its rights under this instrument. Any and all this can and will be done without affecting the lien or the priority of this instrument or Borrower's or any other party's liability to the Government for payment of the note or debt secured by this instrument unless the Government says otherwise in writing. HOWEVER, any forbearance by the Government—whether once or often—in exercising any right or remedy under this instrument, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

(15) If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, upon the Government's request, apply for and accept such loan in sufficient amount to pay the note and any indebtedness secured hereby and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan.

(16) Default hereunder shall constitute default under any other real estate or crop or chattel security instrument held or insured by the Government and executed or assumed by Borrower, and default under any such other security instrument shall constitute default hereunder.

(17) SHOULD DEFAULT occur in the performance or discharge of any obligation in this instrument or secured by this instrument, or should any one of the parties named as Borrower die or be declared an incompetent, a bankrupt, or an insolvent, or make an assignment for the benefit of creditors, the Government, at its option, with or without notice, may: (a) declare the entire amount unpaid under the note and any indebtedness to the Government hereby secured immediately due and payable, (b) for the account of Borrower incur and pay reasonable expenses for repair or maintenance of and take possession of, operate or rent the property, (c) upon application by it and production of this instrument without other evidence and without notice of hearing of said application, have a receiver appointed for the property, with the usual powers of receivers in like cases, (d) foreclose this instrument as provided herein or by law, and (e) enforce any and all other rights and remedies provided herein or by present or future law.

(18) The proceeds of foreclosure sale shall be applied in the following order to the payment of: (a) costs and expenses incident to enforcing or complying with the provisions hereof, (b) any prior liens required by law or a competent court to be so paid, (c) the debt evidenced by the note and all indebtedness to the Government secured hereby, (d) inferior liens of record required by law or a competent court to be so paid, (e) at the Government's option, any other indebtedness of Borrower owing to or insured by the Government, and (f) any balance to Borrower. At foreclosure or other sale of all or any part of the property, the Government and its agents may bid and purchase as a stranger and may pay the Government's share of the purchase price by crediting such amount on any debts of Borrower owing to or insured by the Government, in the order prescribed above.

(19) Borrower agrees that the Government will not be bound by any present or future laws, (a) providing for valuation, appraisal, homestead or exemption of the property, (b) prohibiting maintenance of an action for a deficiency judgement or limiting the amount thereof or the time within which such action may be brought, (c) prescribing any other statute of limitations, (d) allowing any right of redemption or possession following any foreclosure sale, or (e) limiting the conditions which the Government may by regulation impose, including the interest rate it may charge, as a condition of approving a transfer of the property to a new Borrower. Borrower expressly waives the benefit of any such State law. Borrower hereby relinquishes, waives, and conveys all rights, inchoate or consummate, of descent, dower, and curtesy.

(20) If any part of the loan for which this instrument is given shall be used to finance the purchase, construction or repair of property to be used as an owner-occupied dwelling (herein called "the dwelling") and if Borrower intends to sell or rent the dwelling and has obtained the Government's consent to do so (a) neither Borrower nor anyone authorized to act for Borrower will, after receipt of a bona fide offer, refuse to negotiate for the sale or rental of the dwelling or will otherwise make unavailable or deny the dwelling to anyone because of race, color, religion, sex, national origin, age, handicap, or familial status, and (b) Borrower recognizes as illegal and hereby disclaims, and will not comply with or attempt to enforce any restrictive covenants on the dwelling relating to race, color, religion, sex, national origin, age, handicap, or familial status.

(21) Borrower further agrees that the loan(s) secured by this instrument will be in default should any loan proceeds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 CFR Part 1940, Subpart G, Exhibit M.

(22) This instrument shall be subject to the present regulations of the Farmers Home Administration, and to its future regulations not inconsistent with the express provisions hereof.

(23) Notices given hereunder shall be sent by certified mail, unless otherwise required by law, addressed, unless and until some other address is designated in a notice so given, in the case of the Government to Farmers Home Administration, United States Department of Agriculture, at the mailing address mentioned above, and in the case of Borrower at the address shown in the Farmers Home Administration Finance Office records (which normally will be the same as the post office address shown above).

(24) If any provision of this instrument or application hereof to any person or circumstances is held invalid, such invalidity will not affect other provisions or applications of the instrument which can be given effect without the invalid provision or application, and to that end the provisions hereof are declared to be severable.

EXECUTED this 10th date of June, 19 99

Partnership or Corporation

Indiv. 28834 23933

(Name of Borrower)

By: \_\_\_\_\_  
By: \_\_\_\_\_  
By: \_\_\_\_\_  
Attest: \_\_\_\_\_

DUANE C. GRIEB

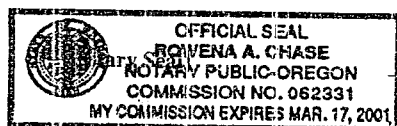
[Corporate Seal]

### ACKNOWLEDGMENT FOR INDIVIDUALS

STATE OF OREGON } ss:  
COUNTY OF Klamath }

The foregoing instrument was acknowledged before me this 10th day of June, 19 99 by Duane C. Grieb

(Name of persons acknowledging)



Rowena A. Chase  
Notary Public of and for the State of Oregon

My Commission expires 3/17/2001

### ACKNOWLEDGMENT FOR A PARTNERSHIP

STATE OF OREGON } ss:  
COUNTY OF \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_ by \_\_\_\_\_ on behalf of \_\_\_\_\_ a partnership.  
(Names of acknowledging partners) (Name of partnership)

[Notary Seal]

Notary Public of and for the State of Oregon

My Commission expires \_\_\_\_\_

### ACKNOWLEDGMENT FOR A CORPORATION

STATE OF OREGON } ss:  
COUNTY OF \_\_\_\_\_ }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_ by \_\_\_\_\_  
(Name of Corporate Officer) (Title of Corporate Officer)  
of \_\_\_\_\_ a \_\_\_\_\_ corporation, on behalf of the corporation.  
(Name of Corporation) (State of Incorporation)

[Notary Seal]

Notary Public of and for the State of Oregon

My Commission expires \_\_\_\_\_

UNITED STATES DEPARTMENT OF AGRICULTURE  
FARM SERVICE AGENCY

## EXTENSION OR REAMORTIZATION AGREEMENT

This agreement is made and entered into by DUANE C. GRIEB herein called "Borrower," and the UNITED STATES OF AMERICA, acting through the FARM SERVICE AGENCY, (successor agency to the Farmers Home Administration), United States Department of Agriculture, herein called "Government," witnesseth:

WHEREAS, the Borrower is indebted to the Government, as evidenced by one or more promissory note(s), assumption agreement(s), shared appreciation agreement(s), agreement(s) to suspend payment of shared appreciation, buyout agreement(s), or interest credit recapture agreement(s), herein called "note," which has been executed or assumed by the Borrower; and

WHEREAS, as security for the repayment of the indebtedness evidenced by said note(s) and any renewals and extensions thereof and any agreements contained therein the Borrower granted unto the Government the following described real estate mortgage(s) or deed(s) of trust, herein called "security instrument," executed or assumed by the Borrower and recorded in the Mortgage

Records of Klamath County, State of Oregon, to wit:

Date of Security Instrument	Date of Recording	Volume or Book No.	Page Number	Recording or Instrument No.
05/09/74	05/10/74	M74	5839	
11/06/79	11/06/79	M79	26199	
05/23/83	05/26/83	M83	8232	
06/06/89	07/20/89	M89	13220	
09/15/93	10/18/93	M93	27159	

WHEREAS, the Borrower has requested that the Government restructure the payment terms or amount due under the note; and

WHEREAS, the Government is willing to restructure, reschedule, reamortize, or extend the repayment terms or the amount of the existing indebtedness as authorized under Subparts G or S of 7 CFR Part 1951, or Subparts A or C of 7 CFR Part 1965.

NOW, THEREFORE, the parties, for themselves, their heirs, executors, administrators, and assigns, hereby mutually agree that the time provided in the security instrument for payment of the sum (including advances and accruals) now secured thereby, the rate of interest on the indebtedness secured thereby, or the amount of indebtedness secured thereby is modified as described below, to wit:

Date of Restructured Note	Principal Amount Now Secured	Annual Rate of Interest	Due Date of Final Restructured Installment
06/10/99	\$ 8,559.48	5.25%	06/10/2014
06/10/99	\$ 7,172.42	5.00%	06/10/2014
06/10/99	<del>\$92,792.97</del>	3.00%	06/10/2019

\*To rerecord to correct loan amount of \$92,792.97 to \$91,589.50.

It is expressly understood and agreed that the said security instrument(s) shall remain in full force and effect in all respects as if terms and provisions remained as originally provided, and that nothing herein shall affect or impair any rights and powers which the Government may have thereunder for the recovery of the said secured indebtedness with interest in case of the non-fulfillment of this agreement, and the Borrower hereby covenants and agrees that the Borrower will perform and observe the covenants and conditions of the said security instrument(s) as modified, and that the Borrower will pay the principal and interest (including advances and accruals) as evidenced by said modified note(s) secured by said security instrument(s) when due.

28836

23935

DATED this 10th day of June, 19 99.UNITED STATES OF AMERICA  
FARM SERVICE AGENCYDUANE C. GRIEB  
(Borrower)

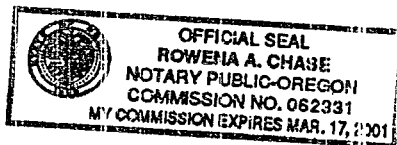
By:

Dorothy M. Scull  
DOROTHY M. SCULLFarm Loan Officer  
(Title)Duane C. Grieb  
(Borrower)

## ACKNOWLEDGEMENTS

STATE OF OREGON )  
) ss:  
COUNTY OF KLAMATH )The foregoing instrument was acknowledged before me this 10th day of June, 19 99 byDUANE C. GRIEB

(Names of Borrowers)

Rowena A. Chase  
Notary Public in and for the  
State of \_\_\_\_\_  
My Commission Expires \_\_\_\_\_STATE OF OREGON )  
) ss:  
COUNTY OF KLAMATH )The foregoing instrument was acknowledged before me this 10th day of June, 19 99 byDOROTHY M. SCULL

(Name of FSA Employee)

FARM LOAN OFFICER

(Title of FSA Employee)

Farm Service Agency.

United States Department of Agriculture, on behalf of the United States of America.

Rowena A. Chase  
Notary Public in and for the  
State of Oregon  
My Commission Expires 3-17-2001

Page 2 -EXTENSION

State of Oregon, County of Klamath  
Recorded 7/20/99, at 9:45 a.m.  
In Vol. M99 Page 28731  
Linda Smith,  
County Clerk RIR Fees 35 KRState of Oregon, County of Klamath  
Recorded 6/17/99, at 2:07 p.m.  
In Vol. M99 Page 23930  
Linda Smith,  
County Clerk Fees 40 KR