

1999 NOV 29 AM 11:42
 THIS AGREEMENT, Made and entered into this 5th day of November 1999, by and between Robert H. Anderson & Beth Anderson, trustees of the Anderson Living Trust hereinafter called first party, and Ernest C. Erspamer hereinafter called second party, and WITNESSETH:

RECITALS: On or about September 3, 1996, hereinafter called mortgagor, made, executed and delivered to Trustees of the Anderson Living Trust a promissory note in the sum of \$ 98,400.00, together with the mortgagor's mortgage or trust deed, hereinafter called the security agreement, securing the note. The security agreement was recorded in the Mortgage Records of Klamath County, Oregon, on September 9th, 1996, in book/reel/volume No. M96 at page 28150 and/or as fee/title/instrument/microfilm/reception No. (indicate which), reference to which hereby is made.

The first party currently is the owner and holder of the note and security agreement. The second party is the mortgagor, the successor in interest of the mortgagor (indicate which) and the current owner of the real property described in the security agreement. The third party, if any, is secondarily liable for the payment of the note, as surety, endorser, guarantor or otherwise. The unpaid principal balance of the note is \$ 91,020.29. Interest thereon is paid to October 5, 1999.

The second party has requested an extension of the time(s) for payment of the debt evidenced by the note and secured by the security agreement. The first party is willing to grant the extension as hereinafter set forth.

NOW, THEREFORE, for value received, receipt of which hereby is acknowledged by the first party, the first party hereby extends the time(s) for payment of the current unpaid balance of the note as follows:

The note shall be due and payable September 5th, 2021. The interest rate will be reduced to 7% and the payment lowered to \$678.82.

AMERITITLE, has recorded this instrument by request as an accommodation only, and has not examined it for regularity and sufficiency or as to its effect upon the title to any real property that may be described therein.

(IF SPACE INSUFFICIENT, CONTINUE DESCRIPTION ON REVERSE SIDE)

The sums now unpaid on the note and the declining balances thereof shall bear interest hereafter at the rate of 7 percent per annum. In no way does this instrument change the terms of the note and security agreement or curtail or enlarge the rights or obligations of the parties hereto, except for the change in interest rate, if any, and the extension granted herein.

The second party hereby agrees to pay the current unpaid balance of the note, together with the interest, promptly at the time(s) set forth above, interest being payable at the time(s) stated in the note.

The third party, if any, agrees to such extension of time(s) and, if the rate of interest on the current debt is hereby increased, to such increase.

In construing document, it is understood that any party may be more than one person. If the context so requires, the singular shall be taken to mean the plural. Generally, all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

IN WITNESS WHEREOF, the parties hereto have executed this document in duplicate on the date first above written; if any undersigned party is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.

Robert H. Anderson Trustee
 ROBERT H. ANDERSON first Party TRUSTEE

Ernest C. Erspamer
 ERNEST C. ERSPAMER second Party

Beth Anderson, Trustee

Third Party

IMPORTANT NOTICE: If the above extension comes within the purview of the Truth-in-Lending Act and Regulation Z, and if the first party above imposes a charge or fee for granting such extension, AND if the obligation described above is other than one "upon which the amount of the finance charge is determined by the application of a percentage rate to the unpaid balance," disclosures must be made by the first party pursuant to Section 226.8(a) of Regulation Z. For this purpose, Stevens-Ness Form No. 1319 or equivalent should be used.

(NOTE: Only the first party's acknowledgment is required.)

STATE OF OREGON, County of Klamath) ss.
 This instrument was acknowledged before me on Nov. 5, 1999,

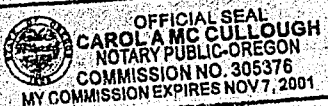
by Ernest C. Erspamer Nov. 5, 1999,

This instrument was acknowledged before me on Nov. 5, 1999,

by Robert H. Anderson and Beth Anderson

as Trustees

of The Anderson Living Trust



Carol A. McCullough
 Notary Public for Oregon
 My commission expires Nov. 7, 2001

EXTENSION OF MORTGAGE OR TRUST DEED

After recording return to (Name, Address, Zip):
 AMERITITLE - COLL 39183
 222 S. 6th St.
 Klamath Falls, OR 97601

STATE OF OREGON,
 County of Klamath

Recorded in book/reel/volume No. M99 at page 46962 and/or as fee/title/instrument/microfilm/reception No.

State of Oregon, County of Klamath
 Recorded 11/29/99, at 11:42 a.m.
 In Vol. M99 Page 46962
 Linda Smith,
 County Clerk Fee \$ 10.00

10.00