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Vol. msl Page 10652

STATE OF OREGON

UNIFORM COMMERCIAL CODE—FINANCING STATEMENT—REAL PROPERTY—FORM UCC-1A

INSTRUCTIONS:

- PLEASE TYPE THIS FORM. UNIFORM COMMERCIAL CODE—FINANCING STATEMENT—REAL PROPERTY—FORM UCC-1A
- Enclose fee of \$3.00 per name listed plus \$2.00 per trade name.
- Send the Alphabetical, Numerical and Acknowledgment copies with interleaved carbon paper intact to the filing officer. The Debtor(s) and Secured Party(ies) copies are retained by party making the filing.
- If the space provided for any item(s) on the form is inadequate, the item(s) should be continued on additional sheets, preferably 8 1/2" x 11". Only one copy of such additional sheets need be presented to the filing officer. Long schedules of collateral, indentures, etc. may be on any size paper that is convenient for the secured party. **DO NOT STAPLE OR TAPE ANYTHING TO LOWER PORTION OF THIS FORM.**
- The Form UCC-1A should be filed with the county filing officers who record real estate mortgages.
- At the time of original filing, filing officer will return acknowledgment copy to the assignee if noted on form or secured party.
- When a copy of the security agreement is used as a financing statement, it is requested that it be accompanied by a completed UCC-21 form.
- When filing is to be terminated the acknowledgment copy may be sent to the filing officer signed by the secured party or assignee or he may use Form UCC-3 or UCC-3A as a Termination Statement.

THIS FINANCING STATEMENT is presented to filing officer pursuant to the Uniform Commercial Code

1A. Debtor(s):

Klamath Wood Products, Inc.

2A. Secured Party(ies):

U.S. National Commercial Corp.

1B. Mailing Address(es):

Mallard Lane
Klamath Falls, OR 97601

2B. Address of Secured Party from which security information obtainable:

555 S.W. Oak St.
Portland, OR 97204

Filing Officer Use Only

3. This financing statement covers the following types (or items) of property:

(The goods are to become fixtures on *) (The above timber is standing on) (The above minerals or the like (including gas and oil) or accounts will be financed at the wellhead or minehead of the well or mine located on) (Strike what is inapplicable) (Describe real estate)

* Refer to Schedule "B"

All equipment described on Schedule "A"

And the financing statement is to be filed in the real estate records. If the debtor does not have an interest of records, the name of record owner is:

Check box if products of collateral are also covered ☐No. of additional sheets attached 8

4A. Assignee of Secured Party(ies) if any:

4B. Address of Assignee from which security information obtainable:

File with: ☒ COUNTY REAL ESTATE FILING OFFICER Klamath COUNTYRefer to attached copy of
Security Agreement

*Signature(s) of Debtor(s) required in most cases.

Signature(s) of Secured Party(ies) in cases covered by ORS 79.4020.

Signature(s) of Debtor(s)
Signature of Secured Party(ies) or Assignee(s)

FILING OFFICER - ALPHABETICAL This form of Financing Statement approved by Secretary of State.

STEVENS-NESS LAW PUBLISHING CO., PORTLAND, OR. 97204

9/4/79

10653

INSTALMENT NOTE

\$ 380,000.00 Eugene, Oregon May 17, 19 79
 For value received, I promise to pay to U.S. NATIONAL COMMERCIAL CORP.
 or order at 32 Oakway Mall, Eugene, Oregon 97401

THREE HUNDRED EIGHTY THOUSAND AND NO/100-----dollars
 with interest thereon at the rate of 14.75% per cent per annum from this
 date until paid, payable in instalments as follows: Fifty Eight (58) equal
 consecutive monthly payments of not less than \$7,279.71 each, beginning
 July 18, 1979, and the entire principal balance and all accrued interest
 if not paid sooner; shall be due and payable on May 18, 1984

~~together with~~ - including - (delete one) the entire interest accrued on this
 note at the time of payment of each instalment until the entire principal
 and interest has been paid. If any instalment is not so paid when due, the
 entire principal and interest shall without notice become immediately due at
 the option of the holder of this note. If any instalment is not paid when
 due, the instalment shall bear interest from its due date at the higher of
 the following rates: (a) the highest rate charged before its due date or
 (b) 12% per annum for corporate borrowers other than non-profit corporations,
 and 10% for all other borrowers. Whether or not litigation is commenced,
 I promise to pay all costs of collecting over due amounts. If litigation
 is commenced to collect this note, or any portion hereof, I promise to pay
 such additional sum as the court may adudge reasonable as attorney's fees
 in the litigation or any appeal therefrom. Each party hereto, whether maker,
 co-maker, endorser, guarantor or otherwise, waives presentment, demand, no-
 tice and protest and consents to any and all extensions of time or renewals
 hereof, whether or not the extensions or renewals are longer than the origi-
 nal period of this note, and to any exchange or release of any security
 granted by any party hereto or any other person.

No. 288 Due May 18, 19 84 KLAMATH WOOD PRODUCTS, INC.
 At Demelly Blyth Per (Title)

This acknowledges that on this 11th day of JUNE, 19 81, the
 undersigned, a notary public in and for the State of Oregon, being duly sworn
 hereby certifies that this Instalment Note and the attached Security Agreement
 dated May 17, 1979, wherein Klamath Wood Products, Inc. is the borrower and
 U.S. National Commercial Corp., is the secured party, are true copies of the
 original same Instalment Note and Security Agreement.

In Testimony whereof, I have hereunto set my hand and notarial seal the day
 and year last above written.

Charles D. Mora
 Notary Public for Oregon
 My commission expires
1-16-84

22801

10654

**SECURITY AGREEMENT - COVERING CONSUMER GOODS, FIXTURES, OR EQUIPMENT
INCLUDING FARM EQUIPMENT**
(May Be Used For Motor Vehicles In These Categories)

May 17, 1979
(Date)

KLAMATH WOOD PRODUCTS, INC.

1. _____ (Name)
P.O. Box 28 Roseburg Douglas Oregon 97470
(No. and Street) (City) (County) (State) (Zip)

(hereinafter called "Borrower") hereby grants to U.S. NATIONAL COMMERCIAL CORP. (hereinafter called "Secured Party"), its successors and assigns, a security interest in the following property and any and all additions, attachments, and accessions thereto (hereinafter called the "Collateral"):

All of that personal property more specifically described on Schedule "A" attached hereto and by this reference made apart hereof.

2. The security interest granted hereby is to secure payment and performance of the liabilities and obligations of Borrower to Secured Party of every kind and description, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising including but not limited to all future advances of Secured Party to or on behalf of Borrower and also including liabilities of Borrower to Secured Party resulting from guarantees given by Borrower to Secured Party, plus extensions and renewals of all the foregoing (all hereinafter called "obligation").

3. BORROWER HEREBY WARRANTS AND COVENANTS:

3.01 TITLE. Borrower is the owner of the Collateral free from any adverse lien, security interest or encumbrance; and except for purchase money security interests in collateral acquired hereafter Borrower will defend the Collateral against all claims and demands of all other persons at any time claiming the same or any interest therein.

3.02 USE. The Collateral is bought or used primarily for

- (Check one) ☐ Personal, family or household purposes
☐ Farming operations
☒ Business use

and, if checked here ☐, is being acquired with the proceeds of loans by Secured Party to Borrower, which Secured Party may disburse directly to the seller of the Collateral.

3.03 LOCATION OF COLLATERAL. The Collateral will be kept at

Mallard Lane Klamath Falls
(No. and Street) (City)
Klamath Oregon
(County) (State)

or if left blank, at the address shown at the beginning of this agreement. Borrower will not remove the Collateral from said state without the written consent of Secured Party.

3.04 LOCATION OF BUSINESS. If the Collateral is bought or used primarily for business use, Borrower's place of business in said state is

(No. and Street)

(City)

(County)

(If none, write "none"), or if left blank, is that shown at the beginning of this agreement. Borrower has ☐, does not have ☐ (check one) places of business in more than one county in said state.

3.05 FIXTURES. If the Collateral is to be or has been attached to real estate, a description of the real estate is as follows:

All of that personal property more specifically described on Schedule "B" attached hereto and by this reference made apart hereof.

and the name of the record owner is _____

KLAMATH WOOD PRODUCTS, INC.

Borrower will on demand of Secured Party furnish the latter with a disclaimer or disclaimers, signed by all persons having an interest in the real estate, of any interest in the Collateral which is prior to Secured Party's interest.

3.06 PERFECTION OF SECURITY INTEREST. The Borrower agrees to execute and file financing statements and do whatever may be necessary under applicable law to perfect and continue the Secured Party's interest in the Collateral, all at Borrower's expense.

3.07 SALE PROHIBITED. Borrower will not sell or offer to sell or otherwise transfer the Collateral or any interest therein without the written consent of Secured Party, but in case of any such sales or transfers the Secured Party shall have a security interest in the proceeds.

3.08 INSURANCE. Borrower will have and maintain insurance at all times with respect to all Collateral against such risks as Secured Party may require, in such form, for such periods and written by such companies as may be satisfactory to Secured Party. All policies of insurance shall have endorsed thereon Secured Party's standard loss payable clause and/or such other endorsements as Secured Party may from time to time request and Borrower will promptly provide Secured Party with evidence of such insurance. Secured Party is hereby made attorney in fact for Borrower to obtain, adjust, settle, and cancel, in its sole discretion, such insurance and endorse any drafts. In the event of failure to provide insurance as herein provided, Secured Party may, at Secured Party's option, provide such insurance.

3.09 ADVERSE LIENS AND USE. Borrower will keep the Collateral free from any adverse lien, security interest (except as provided in paragraph 3.01 above) or encumbrance and in good order and repair and will not waste or destroy the Collateral or any part thereof. Borrower will not use or permit any one to use the Collateral in violation of any statute, ordinance, or state or federal regulation; and Secured Party may examine and inspect the Collateral at any time, wherever located.

3.10 TAXES AND ASSESSMENTS. Borrower will pay promptly when due all taxes and assessments upon the Collateral or for its use or operation or upon this agreement or upon any note or notes evidencing the obligations.

4. SECURED PARTY'S RIGHT TO PAY TAXES, ETC.; BORROWER'S RIGHT TO POSSESSION. At its option Secured Party may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral, may pay for insurance on the Collateral and may pay for the maintenance and preservation of the Collateral.

4.1 Until default Borrower may have possession of the Collateral

and use it in any lawful manner not inconsistent with this agreement and not inconsistent with any policy of insurance thereon.

5. DEFAULT. Borrower shall be in default under this agreement upon the happening of any of the following events or conditions:

5.01 default in the payment or performance of any obligation, covenant or liability contained or referred to herein or in any note evidencing the same;

5.02 any warranty, representation or statement made or furnished to Secured Party by or on behalf of Borrower proves to have been false in any material respect when made or furnished;

5.03 any event which results in the acceleration of the maturity of the indebtedness of Borrower to others under any indenture, agreements or undertaking.

5.04 loss, theft, damage, destruction, sale or encumbrance to or of any of the Collateral, or the making of any levy, seizure or attachment thereof or thereon;

5.05 death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against, Borrower or any guarantor or surety for Borrower, or entry or any judgment against them, or failure of any guarantor or surety for Borrower to provide Secured Party with financial information promptly when requested by Secured Party.

5.06 Upon such default and at any time thereafter Secured Party may declare all Obligations secured hereby immediately due and payable and shall have the rights and remedies of a secured party under the Uniform Commercial Code. Secured Party may require Borrower to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties. Secured Party shall in addition have the specific right to take any personal property found in or on the Collateral and to hold such property in safekeeping for the lawful owner thereof and if the lawful owner does not reclaim such property within 180 days, Secured Party may without notice to the owner dispose of the property in such manner and on such terms as seem appropriate in the Secured Party's discretion. Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will give Borrower reasonable notice of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Borrower shown at the beginning of this agreement at least ten days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling or the like shall include Secured Party's reasonable attorneys' fees and legal expenses, whether or not litigation is commenced and also such fees and expenses on appeal.

6. ADDITIONAL SECURITY. Regardless of the adequacy of any security which the Secured Party may at any time hold hereunder, and regardless of the adequacy of any other security which the Secured Party may obtain at any of its offices from Borrower in connection with any other transactions, any deposits or other monies or property due from Secured Party at any of its offices to Borrower shall constitute additional security for, and may be set off against, obligations secured hereby.

8. SPECIAL PROVISIONS. (If none, write "None")

NONE

Signed and delivered to Secured Party on the day and year first above written.

(Name of Co-Borrower)

(Co-Borrower's Signature)

gations secured hereby even though said obligations may not then be due. Any and all instruments, documents, policies and certificates of insurance, securities, goods, accounts receivable, choses in action, chattel paper, cash, property and the proceeds thereof owned by Borrower or in which Borrower has an interest, which now or hereafter are at any time in possession or control of Secured Party at any of its offices or in transit by mail or carrier to or from Secured Party or in the possession of any third party acting in Secured Party's behalf, without regard to whether Secured Party received the same in pledge, for safekeeping, as agent for collection or transmission, or otherwise, or whether Secured Party has conditionally released the same, shall constitute additional security for obligations and may be applied at any time to obligations which are then due whether by acceleration or otherwise.

7. GENERAL. Secured Party shall not be deemed to have waived any of Secured Party's rights hereunder or under any other writing signed by Borrower unless such waiver be in writing and signed by Secured Party. No delay or omission on the part of Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion. All Secured Party's rights and remedies, whether evidenced hereby or by any other writing shall be cumulative and may be exercised singularly or concurrently. Any demand upon or notice to Borrower that Secured Party may give shall be effective when addressed and mailed to Borrower's address at which Secured Party customarily communicates with Borrower. This agreement and all rights and liabilities hereunder and in and to any and all obligations secured hereby, and in and to all collateral described above, shall inure to the benefit of the Secured Party and its successors and assigns, and shall be binding upon the Borrower and its successors and assigns. Whenever there is no outstanding obligation on the part of the Borrower and no commitment on the part of Secured Party under any agreement which might give rise to an obligation, Borrower may terminate this agreement upon written notice to Secured Party. Prior to such termination this shall be a continuing agreement in every respect. This agreement shall be governed by the law of Oregon. This agreement is intended to take effect when signed by Borrower and delivered to Secured Party.

7.1 Borrower shall pay to Secured Party on demand, together with interest at the highest rate allowed by law, any and all expenses, (including legal expenses and reasonable attorneys' fees whether or not litigation is commenced and also such fees and expenses on appeal) reasonably incurred or expended by Secured Party in the insurance, discharge of encumbrances as provided by paragraph 4 above, protection, storage, maintenance, and liquidation of Collateral pledged hereunder and in the collection or attempted collection of proceeds thereof and in protecting and enforcing the covenants and other rights of Secured Party hereunder. Secured Party may, in its sole discretion, require Borrower to compensate Secured Party for any and all expenses incurred under this agreement by adding a proportionate amount of such expenses, plus interest at the highest rate allowed by law, to Borrower's monthly instalments on any obligation secured by this agreement.

7.2 If anything in this agreement is held to be illegal, then only that portion is void and not the entire agreement.

7.3 If this agreement is signed by two or more persons they shall be jointly and severally liable thereunder.

KLAMATH WOOD PRODUCTS, INC.

(Name of Borrower)

By

Timothy B. Smith

(Authorized Signature)

BORROWER

(Title)

SCHEDULE A

This schedule is attached thereto and made a part thereof a certain Security Agreement dated May 17, 1979, between KLAMATH WOOD PRODUCTS, INC. and U.S. NATIONAL COMMERCIAL CORP.

- 1 - East side log deck 18' x 3' x 10', 2 strand chain log haul w/LINK BELT gearhead electric drive, mounted on 6" steel H-Beam support. West side log deck, 18' x 3' x 10', 2 strand chain log haul w/LINK BELT gearhead electric drive, mounted on 6" steel H-Beam support -all with steel races - 2 arm log stops, air/Hyd-operated, 60' x 3' full operating steel trough box chain log haul. Air operated 2 arm log hold down, 58" chain cut off saw w/15 HP electric drive (manual operated), control station w/console, log stops w/air operated 2 arm log kicker, 18' x 7' 2 strand chain log transfer w/steel races, to 20' x 12" box chain steel trough full operating log haul, MORBARK 48" CAMBIO DEBARKER, Mdl. 632, S/N 763, 100 HP electric motor, Hyd reservoir w/pump, hose & electric, water spray system, hour glass roll infeed, all steel control house, console, steel cat walks set on 6" steel H-Beam supports. 24' box chain steel trough log haul to approx. 24' x 24' 2 strand chain log deck w/steel races & 6" steel H-Beam supports. Drop apron w/4" arm beam letdown, steel apron to 117' x 6' 2 strand log transfer deck w/steel races & support structure. 20' x 12" steel trough box chain bark conveyor w/flights, 54' x 16" steel trough chain w/flights refuse conveyor. 28' x 16" steel trough chain w/flights refuse conveyor, approx. 60' x 16" steel trough chip conveyor w/chain & flights, all electric gearhead drives & steel supports. 36 unit CAROTHERS chip bin, Hyd-operated w/electric motor, all set on 12" x 8" steel beam supports. 9' x 7' steel log drop chute & bin. 70' x 12" box chain steel trough, 6" I-Beam support. Log stop w/kicker, 36" chain cut off saw, electric drive & manual operated, single arm air operated hold down operator control station console & foot controls, 33' x 3' 2 strand chain log infeed steel races, 2 doc log stop to 4' TYLER VENEER LATHE & RAUTAE charger, air operated w/60 HP electric REDCO D.C. motor, M-G set, generator, 70 G.P.M. Hyd-reservoir w/pump, hose, & gauges, 75 HP electric motor. Full operators set works & controls. All set on steel support section & catwalks. REDCO controls w/panel bar 2 deck tipple system to 18'

Item 1 - Cont.

x 4" belt green end tray to 82' x 60" 5 belt 8" wide green end. Steel support & electric gear-head drive. VICTOR clipper assembly (no serial) REDCO controls, panel bar tipple, veneer cut off saws w/3 HP electric motors & 25 HP electric Hyd-pump, reservoir hose gauges and console controls. 45' x 18" 5 8" belt refuse conveyor system, steel apron & electric drive 46' x 16" steel trough chain w/flights refuse chip conveyor. SUMNER 6 knife veneer chipper horizontal infeed, bottom discharge w/125 HP electric motor, chip transfer conveyor to MOR-BARK surge bin CHIP HARVESTER, Mdl. POS, S/N 482, 2 deck screen, 15' x 18" steel trough, chain w/flights, chip conveyor all on steel structure to ARCHER blower systems w/electric drives, duct work blow pipe. 45' x 14" steel trough refuse conveyor w/chain & flights set on 6" steel beam supports. 75' x 3" steel trough chain core haul on angle iron supports to 18' x 12" box chain, steel constructed bin, combination dump & refuse conveyor box chain steel trough to 24" MOR-BARK whole log core chipper, 400 HP electric drive motor, bottom discharge and steel trough box chain chip conveyor. Two (2) complete electric panel systems w/gutters, safety switches, compensators, starters, transformers & electrical conduit. The main veneer & chip buildings are equipped with full sprinkler system.

- 2 - INGERSOL RAND 500 CFM screw compressor, (12,471 hrs.), 150 HP electric drive motor. modine heat exchanger, Mdl. AB162A, S/N 0474, 5 HP electric motor, FROSTO electric vaporizer Mdl. 7793, S/N 73040 w/air receiver, pipe, valves, electric panel gutter, switches and transformer.
- 3 - 1972 HYSTER CHALLENGE 60 lift truck, S/N 134312, canopy, pneu. tires w/gas engine.
- 4 - CAT Towmotor Mdl. 510P lift truck, S/N 241960, canopy, pneu. tires & butain engine.
- 5 - 1973 CAT wheel loader Mdl. 950, S/N 81J5437, enclosed cab, log forks.
- 6 - 1973 CAT wheel loader Mdl. 920, S/N 62K6687, enclosed cab & single top log fork.
- 7 - HANCHETT 4' knife sharpner sizes 17E shop number #27 w/ 7.5 HP electric motor.

10658

- 8 - MILLER BIG 40 DC arc welder, S/N HD673505 w/leads.
- 9 - BLACK & DECKER H-D shop vac.
- 10 - DEWALT radial arm saw, S/N 1440383.
- 11 - Battery charger, pedistal grinder, shop made chain saw sharpner, viles & shop bench & three (3) outside fuel tanks.
- 12 - PRENTICE log loader (no serial) heel boom w/ grapple, diesel engine, mounted on 1957 INTERNATIONAL carrier Mdl. L210 3 axle carrier w/Hyd-outriggers.
- 13 - Rail Road car chip loader, electric controls & steel support. GABRIEL boiler, Mdl. S-50, Mfg. #355, 100 HP gas fired, w/heat exchanger, all controls, electric panel gutter, transformer, water purification system. 30' x 20' all metal building.

KLAMATH WOOD PRODUCTS, INC.

By Timothy Blysett
Title Pres
Date 5-17-79

SCHEDULE B

10659

This schedule is attached thereto and made a part thereof a certain Security Agreement dated May 17, 1979, between KLAMATH WOOD PRODUCTS, INC. and U.S. NATIONAL COMMERCIAL CORP.

PARCEL 1

A parcel of land located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 5, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, and being a portion of Government Lots 4 and 5, said Section, Township and Range, more particularly described as follows:

Beginning at a point which is South a distance of 208.71 feet and East a distance of 285.0 feet from the Northwest corner of said SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 5, said point being on the South line of that certain parcel of land conveyed by the City of Klamath Falls to H. A. Mischelm et ux., by deed dated November 8, 1948, recorded November 16, 1948 in Volume 226 at page 423, Deed Records of Klamath County, Oregon; thence continuing East along the South line of said parcel a distance of 192.42 feet to Southeast corner thereof; thence North along East line of said parcel a distance of 208.71 feet to North line of said SE $\frac{1}{4}$ SE $\frac{1}{4}$; thence East along said North line a distance of 389.88 feet to a point; thence South 0°43' West a distance of 460.7 feet to a point on Northwestern line of a parcel of land deeded to Great Northern Railway Co. by deed recorded October 21, 1927 in Volume 76 at page 635, Records of Klamath County, Oregon; thence South 28° 43' West, along said Northwestern line a distance of 590.02 feet to Northeasterly corner of a parcel of land deeded to California Oregon Power Co. by deed recorded December 16, 1953 in Volume 264 at page 436, Records of Klamath County, Oregon; thence West along North line of said parcel a distance of 296.75 feet to a point, said point being East a distance of 285.0 feet from West line of said SE $\frac{1}{4}$ SE $\frac{1}{4}$; thence North and parallel to said West line and 285.0 feet distance East therefrom, a distance of 761.29 feet, more or less, to point of beginning.

PARCEL 2

A parcel of land located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 5, Township 39 South, Range 9 East of the Willamette Meridian, and being a portion of Government Lots 4 and 5, said Section, Township and Range, more particularly described as follows:

Beginning at a point on the North line of said SE $\frac{1}{4}$ SE $\frac{1}{4}$ which is East along said line a distance of 477.42 feet from Northwest corner thereof; thence continuing East along said North line a distance of 389.88 feet to a point; thence South 0° 43' West a distance of 460.7 feet to a point on the Northwestern line of a parcel of land deeded to Great Northern Railway Co. by deed recorded October 21, 1927 in

Volume 76 at page 635. Records of Klamath County, Oregon: thence South 28° 43' West along said Northwesterly line a distance of 590.02 feet to Northeasterly corner of a parcel of land deeded to California Oregon Power Co. by deed recorded December 16, 1953 in Volume 264 at page 436, Records of Klamath County, Oregon; thence West along North line of said parcel a distance of 521.75 feet to East line of a parcel of land deeded to Klamath County for road purposes by deed recorded November 17, 1948 in Deed Volume 226 at page 429, Records of Klamath County, Oregon; thence North along East line of said parcel to a point which is South along said line a distance of 208.71 feet from North line of said SE $\frac{1}{4}$ SE $\frac{1}{4}$, said point being Southwest corner of a parcel of land deeded by City of Klamath Falls to H. A. Mitschelm et ux., recorded November 16, 1948 in Deed Volume 226 at page 422, Records of Klamath County, Oregon; thence East along South line of said parcel a distance of 417.42 feet; thence North along East line thereof 208.71 feet to point of beginning.

EXCEPTING THEREFROM that portion described in deed recorded November 25, 1971 in Volume M-71 at page 12415, Microfilm Records of Klamath County, Oregon.

STATE OF OREGON; COUNTY OF KLAMATH; ss:

Filed for record at request of _____

this 15th day of June A.D. 1981 at 1:44 o'clock P. M., and

duly recorded in Vol. M81, of Mtg. on Page 10652

Fee \$31.50

EVELYN BIEHN, County Clerk

By Liba A. Janz

KLAMATH WOOD PRODUCTS, INC.

By Donnelly Blyden

Title Pres

Date 5-17-79