

K-41617
CONDITIONAL RELEASE AND WAIVER
OF OPTION TO PURCHASE AND RIGHT OF FIRST REFUSAL

KNOW ALL MEN BY THESE PRESENTS that United States National Bank of Oregon, a national banking association (USNB), having notified Gary T. Cheyne and Denise L. Cheyne, husband and wife (CHEYNE) of its intent to sell the following described real property to BALIN FARM TRUST, upon specified terms and conditions, and pursuant to that certain option to rent, lease or sell, and the right of first refusal to rent, lease or sell, CHEYNE declines to exercise the option and hereby waives all further rights under the option to rent, lease or purchase, and all rights of first refusal described in that certain Deed from CHEYNE to USNB dated March 11, 1988, recorded August 31, 1988 in Volume M88 at Page 14166 of the Official Deed Records of Klamath County, Oregon, with respect to this proposed sale only.

In the event that USNB records a deed from USNB to BALIN FARM TRUST within thirty (30) days of the date of this document, the recordation of such deed and the recordation of this document shall terminate all of CHEYNE's rights in and to the real property hereafter described.

In the event no such deed is recorded, the option to rent, lease or purchase the real property in the deed described above shall remain in full force and effect.

'89 OCT 5 AM 9 23

The real property which is the subject matter of this document is more particularly described as follows:

A tract of land situated in the NW 1/4 NE 1/4 of Section 11, Township 40 South, Range 9 East of the Willamette Meridian, more particularly described as follows:

Beginning at a point on the North line of said Section 11, from which the North quarter corner of said Section 11 bears South 89 degrees 38' 26" West 498.37 feet; thence North 89 degrees 38' 26" East along the said section line, 318 feet; thence South 00 degrees 21' 34" East 80 feet; thence North 89 degrees 38' 26" East 14 feet; thence South 00 degrees 21' 34" East 580 feet; thence South 89 degrees 38' 26" West 332 feet; thence North 00 degrees 21' 34" West 660 feet to the Point of Beginning with the bearings based on Survey No. 3769 as recorded in the office of the Klamath County Surveyor.

IN WITNESS WHEREOF, we have hereunto set our hands on the date next to our respective signatures in order to be bound hereby.

Gary T. Cheyne
GARY T. CHEYNE

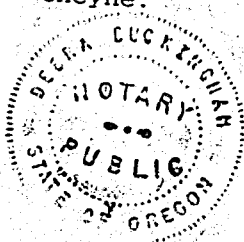
date

Denise L. Cheyne
DENISE L. CHEYNE

9/6/89
date

STATE OF OREGON,)
County of Klamath.) ss.

The foregoing instrument was acknowledged before me on the 6th day of September, 1989 by Gary T. Cheyne and Denise L. Cheyne.



Deborah Buckingham
Notary Public for Oregon
My Commission Expires: 12-19-92

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Return To:
US National Bank
111 SW 5th Ave., Suite 850
Portland, Oregon 97204

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title co. the 5th day of Oct. A.D. 19 89 at 9:23 o'clock A.M., and duly recorded in Vol. 489 of Deeds on Page 18786.

FEE \$13.00

Evelyn Biehn County Clerk
By Pauline M. Milledore