

TRUST DEED

DATE: December 31, 1990

PARTIES: Rod L. Slade
953 S. Spring Street
Klamath Falls, OR 97601

GRANTOR

William P. Brandsness
Brandsness & Brandsness, PC
411 Pine Street
Klamath Falls, OR 97601

TRUSTEE

O. C. Webb-Bowen and Marie R.
Webb-Bowen, Husband and Wife
2114 Watson Street
Klamath Falls, OR 97603

BENEFICIARY

RECITALS:

A. Grantor is the owner of real property described on Exhibit "A" hereto, including all appurtenances, buildings and existing or future improvements located thereon and all fixtures and attachments thereto, all of which real property is hereinafter referred to as "the Trust Property."

B. Grantor is indebted to Beneficiary under a promissory note (the Note) dated currently with this Trust Deed with the final payment due on the 31st day of December, 2010, which is the maturity date of this Trust Deed, and is obligated upon a Noncompetition Agreement dated currently with this Trust Deed which is also referred to in this Trust Deed as the "Note." Grantor has agreed to deed to Trustee the Trust Property to secure punctual payment of the Note and any other indebtedness owing by Grantor to Beneficiary and to secure performance of all of Grantor's obligations under the Note, under this Trust Deed and under any other instruments evidencing an indebtedness of Grantor to Beneficiary.

THEREFORE, to secure payment by Grantor of the indebtedness to be evidenced by the Note in strict accordance with its terms, including payment of interest thereon and payment of any prepayment penalty for which provision is made in the Note, and performance by Grantor of the covenants contained herein and in the Note by it to be performed, and to secure payment of any other indebtedness of Grantor to Beneficiary which arises directly or indirectly out of the Note or this Trust Deed, Grantor hereby grants, bargains, sells and conveys to the Trustee, in trust, with power of sale, the Trust Property and presently assigns the rents, revenues, income, issues and profits therefrom to the Trustee, its successors and its assigns, upon the terms set forth herein.

PROVIDED, HOWEVER, that until the occurrence of an event of default, Grantor may remain in control of and operate and manage the Trust Property and collect and enjoy the rents, revenues, income, issues and profits therefrom; and

PROVIDED, FURTHER, that if Grantor shall make all payments for which provision is made in the Note in strict accordance with the terms thereof and shall perform all of the covenants contained herein, and shall make all payments due on any other indebtedness and shall perform all of the covenants contained in the Note and this Trust Deed, then Trustee shall execute and deliver to Grantor, without warranty, a reconveyance of the Trust Property.

The parties covenant and agree as follows:

SECTION 1.
WARRANTIES

GRANTOR'S COVENANTS AND

balance of the Note upon maturity.

1.1 Payment of the Note.
Grantor will make all payments of the interest and principal for which provision is made in the Note, and in any note or notes given in renewal or replacement thereof, promptly as such payments become due and payable and will pay the unpaid

1.2 Use of Loan Proceeds. Grantor warrants that the proceeds of the loan represented by the Note and this Trust Deed are not to be used for Grantor's personal, family, household or agricultural purposes. The proceeds are to be used for business or commercial purposes other than agricultural

purposes.

1.3 Use of Trust Property. Grantor covenants and warrants that the Trust Property is not currently used for agricultural, timber or grazing purposes.

1.4 Taxes and Assessments; Liens and Claims.

1.4.1 Payment. Grantor shall pay, when due, all taxes and all assessments imposed against the Trust Property and all claims and demands arising from the Grantor's use or occupancy of the Trust Property.

1.4.2 Protection of the Trust Property From Liens. Grantor shall not permit any lien prior or equal to the Trustee's title to be imposed upon the Trust property, except liens for taxes or assessments assessed but not yet due and those liens and encumbrances of the Beneficiary which the Grantor has assumed and agreed to save the Beneficiary harmless therefrom.

1.4.3 Grantor's Right to contest. Grantor may withhold payment of any taxes, assessments, claims or demands or may elect to contest any lien if Grantor is in good faith conducting appropriate proceedings to contest its obligation to pay and for so long as the Trustee's interest in the Trust Property is not jeopardized. If the Trust Property is subjected to a lien which is not discharged within thirty (30) days from the date that the notice of claim of lien is filed, Grantor shall deposit or cause to be deposited with Beneficiary cash, a sufficient corporate surety bond or other security reasonably satisfactory to Beneficiary in an amount adequate to provide for discharge of the lien plus any interest, cost, attorney fees or other charges that could accrue as a result of foreclosure or sale. In any contest Grantor shall, at Grantor's expense, defend itself, Trustee and Beneficiary and shall satisfy any final adverse judgment before enforcement against the Trust Property.

1.4.4 Evidence of Payment of Taxes or assessments. Upon payment of real property taxes and assessments Grantor shall furnish to Beneficiary evidence of payment of such taxes and assessments. Grantor hereby authorizes the appropriate city or county official to deliver to Trustee and Beneficiary at any time a written statement of the taxes and assessments against the Trust Property.

1.5 Insurance.

1.5.1 Property Insurance. Grantor shall procure and maintain policies of fire insurance with standard extended coverage endorsements on a replacement cost basis covering all building and improvements, including additions thereto and replacements thereof, in an amount sufficient to avoid application of any coinsurance clause and with loss payable to Beneficiary and Grantor.

1.5.2 Insurance Companies, Policies and Certificates. Both the insurance company providing the policy required by this Section 1.6 and the form of the policy must be acceptable to Beneficiary. Grantor shall deliver to Beneficiary a certificate of coverage from the insurer issuing the policy required by paragraph 1.6.1 containing a stipulation that coverage will not be canceled or diminished without a minimum of 10 days advance written notice to Beneficiary. Grantor shall deliver to Beneficiary at

least 10 days prior to the expiration of any insurance policy required by this Section 1.6 a certificate showing the placement of a renewal or substitute policy of insurance.

1.5.3 Notice of Loss. In the event of loss, Grantor shall immediately notify Beneficiary, which may make proof of loss if it is not made promptly by Grantor.

1.5.4 Insurance Proceeds. Insurance proceeds shall be paid jointly to the Beneficiary and the Grantor. Grantor may elect either to restore or not to restore the damaged improvements. If Grantor shall repair or replace the damaged improvements in a manner satisfactory to Beneficiary, Beneficiary shall, upon satisfactory proof of performance of work, pay or reimburse Grantor from the insurance proceeds for the reasonable cost of repair or restoration completed. If Grantor notifies Beneficiary in writing that pursuant to its rights hereunder it elects not to repair or replace the damaged improvements, Beneficiary shall apply the proceeds not to be so used toward payment of all or part of the indebtedness secured by this Trust Deed in such order as Beneficiary may determine. Any insurance proceeds which have not been paid out within one year after their receipt for the repair, replacement or restoration of the Trust Property shall forthwith be applied by Beneficiary toward payment of all or part of the indebtedness secured by this Trust Deed in such order as Beneficiary may determine.

1.6 Use, Maintenance and Alterations.

1.6.1 Duty to Maintain. Grantor shall maintain the Trust Property in good condition and repair and promptly perform all repairs and maintenance necessary to preserve its value.

1.6.2 Waste; Nuisance. Grantor shall not conduct or permit any nuisance on the trust Property nor commit or suffer any strip or waste thereof.

1.6.3 Removal of Improvements. Grantor shall not demolish or remove any improvements on the Trust Property without prior written consent of Beneficiary but Grantor may make alterations which he deems necessary for the necessary use of the Trust Property.

1.6.4 Beneficiary's Right to Enter and Inspect. Grantor will permit Beneficiary and their agents to enter upon the Trust Property at all reasonable times to inspect the Trust Property.

1.6.5 Compliance with Governmental Requirements. Grantor shall promptly comply with all laws, ordinances and regulations of all governmental authorities applicable to the use or occupancy of the Trust Property. Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Beneficiary's and Trustee's interests in the Trust Property are not jeopardized.

1.7 Eminent Domain.

1.7.1 Notice of Taking or Condemnation Proceeding. If the Trust Property, or any part thereof or interest therein, should be taken or damaged by reasons of any public improvement or condemnation proceeding, or if Grantor should receive any notice or other information regarding a condemnation proceeding or similar type of proceeding, Grantor shall immediately notify Beneficiary.

1.7.2 Condemnation Proceeds. Beneficiary and Grantor shall each be entitled their own compensation, awards and other payment or relief related to

condemnation, and shall each be entitled at their sole option to commence, appear in and prosecute in their own name any such action or proceeding. Each party shall also be entitled to make any compromise or settlement in connection with such taking or damage.

1.8 Security Agreement. This instrument shall constitute a security agreement with respect to any fixtures attached to the Trust Property to secure all indebtedness and obligations secured by this Trust Deed and all future advances and all future indebtedness and obligations of Grantor to Beneficiary. This instrument shall also constitute a financing statement and shall be filed for recording in the real estate records of the county where the Trust Property is located.

1.9 Reserves. If Grantor has failed to perform its obligations under Sections 1.5 or 1.6 of this Trust Deed, Beneficiary may require Grantor to maintain with Beneficiary reserves for payment of taxes, assessments and insurance premiums. The reserve shall be created by monthly payments of a sum estimated by Beneficiary to be sufficient to produce, at least 15 days before due, an amount equal to the taxes, assessments and insurance premiums. If 15 days before payment is due the reserve is insufficient, Grantor shall pay any deficiency to Beneficiary upon demand. The reserve shall be applied against the principal of the Note secured by this Trust Deed and shall be deducted from such principal upon payment of the taxes, assessments or insurance premiums. Nothing contained herein shall cause Beneficiary to be deemed a trustee of the reserve or to be obligated to pay any amounts in excess of the amount of funds deposited with Beneficiary pursuant to this Section.

SECTION 2. EVENTS OF DEFAULT

The following shall constitute events of default:

2.1 Nonpayment. Failure of grantor to make any payment required by the Note or to make any payment for taxes, insurance premiums or for reserves for such payments, or any other payment necessary to prevent filing of or discharge of any lien within 10 days after written notice by Beneficiary or Beneficiary's agents of any such nonpayment. No notice by Beneficiary shall be required for nonpayment if during the preceding 12 calendar months Beneficiary has sent notice to Grantor concerning any nonpayment hereunder.

2.2 Failure to Pay Prior Encumbrance. Failure of the Grantor to pay any payment or to perform any obligation under any encumbrance or lien, which is prior in time or right to the lien of this Trust Deed.

2.3 Breach of Other Covenant. Failure of Grantor to perform any obligation contained in this Trust Deed within 30 days after notice from Beneficiary or Beneficiary's representative specifying the nature of the default or, if the default cannot be cured within 30 days, failure within such time to commence and pursue with reasonable diligence curative action. No notice of default and opportunity to cure shall be required if during the preceding 12 calendar months Beneficiary has already sent a notice to Grantor concerning default in performance of the same obligation.

2.4 Other Obligation. Failure of Grantor to perform any obligation required by any other instrument (i.e.,

other than the Note or this Trust Deed) evidencing or securing any indebtedness of Grantor to Beneficiary.

SECTION 3. REMEDIES IN CASE OF DEFAULT

If an event of default shall occur, Beneficiary or Trustee, as the case may be, may exercise any of the following rights and remedies, in addition to any other remedies which may be available at law, in equity, or otherwise:

3.1 Acceleration. Beneficiary may declare all sums secured by this Trust Deed, including all interest and prepayment penalties, to be immediately due and payable.

3.2 Books and Records. Beneficiary may examine all books, records and contracts of Grantor pertaining to the Trust Property and of any guarantors and make such memoranda thereof as may be desired.

3.3 Receiver. Beneficiary may have a receiver of the Trust Property appointed. Beneficiary shall be entitled to the appointment of a receiver as a matter of right whether or not the apparent value of the Trust Property exceeds the amount of the indebtedness secured by this Trust Deed. Employment by Trustee or Beneficiary shall not disqualify a person from serving as receiver. Grantor waives all defenses and consents to the appointment of a receiver at Beneficiary's option.

3.4 Possession. Beneficiary may, either through a receiver or as a lender-in-possession, take possession of all or any part of the Trust Property, and Grantor shall peaceably surrender the same.

3.5 Rents and Revenues. Beneficiary may revoke Grantor's right to collect the rents and revenues from the Trust Property, and may, either itself or through a receiver, collect the same. To facilitate collection, Beneficiary may notify Grantor's tenants to pay rents directly to it. Beneficiary shall not be deemed to be in possession of the Trust Property solely by reason of exercise of the rights contained in this paragraph 3.5. If rents are collected by Beneficiary under this paragraph 3.5, Grantor hereby irrevocably designates Beneficiary as Grantor's attorney-in-fact to endorse instruments received in payment of rent, in respect of any part of the Trust Property, in the name of Grantor and to negotiate such instruments and collect the proceeds thereof.

3.6 Foreclosure. Beneficiary may obtain a decree foreclosing Grantor's interest in all or any part of the Trust Property.

3.7 Fixtures and Personal Property. With respect to any fixtures or personal property subject to a security interest in favor of Beneficiary, Beneficiary may exercise any and all of the rights and remedies of a secured party under the Uniform Commercial Code.

3.8 Abandon Security. Beneficiary may abandon any security afforded by this Trust Deed or any other security instrument by notifying Grantor of Beneficiary's election to do so.

3.9 Power of Sale. Beneficiary may direct Trustee, and Trustee shall be empowered, to foreclose the Trust Property by advertisement and exercise of the power of sale under applicable law.

3.10 Sale of Collateral; Bid at Public Sale. In exercising its rights a remedies, Beneficiary shall be free to sell all or any part of the collateral together or separately, or to sell certain portions of its collateral and refrain from selling other portions. Beneficiary shall be

entitled to bid at any public sale of all or any portion of its collateral.

3.11 Cumulative Remedies. Election to pursue one remedy shall not exclude resort to any other remedy, and, unless the context otherwise requires, all remedies under this Trust Deed are cumulative and not exclusive. No delay or omission in exercising any right or remedy shall impair that or any other right to remedy or shall be construed to be a waiver of the default.

SECTION 4. RECEIVER OR TRUSTEE-IN-POSSESSION

Upon taking possession of all or any part of the Trust Property, a receiver or Trustee or Beneficiary or Beneficiary's representative may:

4.1 Management. Use, operate, manage, control and conduct business on the Trust Property and make expenditures for such purposes and for maintenance and improvements as in its judgment are necessary.

4.2 Rents and Revenues. Collect all rents, revenues, income, issues and profits from the Trust Property and apply such sums to the expenses of use, operation, management, maintenance and improvements.

4.3 Construction. At its option, complete any construction in progress on the Trust Property, and in that connection pay bills, borrow funds, employ contractors and make any changes in plans and specifications as it deems appropriate.

4.4 Additional Indebtedness. If the revenues produced by the trust Property are insufficient to pay expenses, including, without limitation, any disbursements made by Beneficiary or Trustee pursuant to this Section 4, a receiver may borrow, or Beneficiary or Trustee may advance, such sums upon such terms as it deems necessary for the purposes stated in this Section, and repayment of such sums shall be secured by this Trust Deed. Amounts borrowed or advanced shall bear interest at a rate equal to the lesser of 12% per annum or the highest rate permitted by applicable law. Amounts borrowed or advanced and interest thereof shall be payable by Grantor to Beneficiary or Trustee on demand.

SECTION 5. APPLICATION OF PROCEEDS
All proceeds realized from the exercise of the rights and remedies under Sections 3 and 4 shall be applied as follows:

5.1 Costs and Expenses. To pay the costs of exercising such rights and remedies, including the costs of any sale, the costs and expenses provided for in paragraph 6.6.

5.2 Indebtedness. To pay all other amounts owed by Grantor, payment of which is secured by this Trust Deed.

5.3 Surplus. The surplus, if any, shall be paid to the clerk of the court in the case of a foreclosure by judicial proceeding, otherwise to the person or persons legally entitled thereto.

SECTION 6. GENERAL PROVISIONS

6.1 Reconveyance Upon Payment. Upon written request of Beneficiary stating that all sums secured hereby have been paid, surrender of this Trust Deed and the Note to Trustee for cancellation and retention and payment of its fees, Trustee shall reconvey, without warranty, the Trust Property then held hereunder. The recitals in any reconveyance

executed under this Trust Deed of any matters of facts shall be conclusive proof of the truthfulness thereof. The Grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

6.2 Substitute Trustee. In the event of dissolution or resignation of the Trustee, Beneficiary may substitute one or more trustees to execute the trust hereby created, and the new trustee(s) shall succeed to all of the powers and duties of prior trustees.

6.3 Trust Deed Binding on Successors and Assigns. This Trust Deed shall be binding on and insure to the benefit of the successors and assigns of Grantor, Trustee and Beneficiary.

6.4 Indemnity. Grantor shall hold Beneficiary and Trustee harmless from any and all loss and expense, including but not limited to attorney fees and court costs, in any suit, action or proceeding or any appeal therefrom brought against Trustee or Beneficiary by a third party resulting from or attributable to Beneficiary ownership of the Note or Trustee's interest under this Trust Deed, except suits, actions and proceedings based upon a claim that Beneficiary or Trustee improperly entered into this Trust Deed or Note or loaned money thereunder.

6.5 Notice. Any notice under this Trust Deed shall be in writing. Any notice to be given or document to be delivered under this Trust Deed shall be effective when either delivered in person or deposited as registered or certified mail, postage prepaid, addressed to the party at the address first stated in this Trust Deed; provided that any notice pursuant to exercise of the Trustee's power of sale in the event of default shall be sufficient if such notice complies with all provisions of Oregon law applicable to exercise of such powers of sale. Any party may, by notice to the others, designate a different address.

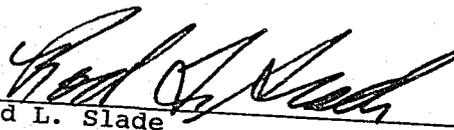
6.6 Expenses and Attorney Fees. In the event that Beneficiary or Trustee shall take any action, judicial or otherwise, to enforce the Note or any provision of this Trust Deed or if Beneficiary or Trustee shall be required to appear in any proceeding to protect and maintain the priority of Trustee's title to the Trust Property, Trustee or Beneficiary (or both) shall be entitled to recover from Grantor all expenses which it may reasonably incur in taking such action, including but not limited to costs incurred in searching records, the cost of title reports and surveyors' reports, and its attorney fees, whether incurred in a suit or action or any appeals from a judgment or decree therein or petition for review, or in connection with nonjudicial action.

6.7 Beneficiary's Right to Cure. If Grantor fails to perform any obligation required of it under this Trust Deed, Beneficiary may, without notice, take any steps necessary to remedy such failure. Grantor shall reimburse Beneficiary for all amounts expended in so doing on demand with interest at a rate equal to the lesser of 12% percent per annum or the highest rate permitted by applicable law from the date of expenditure until repaid. Such action by Beneficiary shall not constitute a waiver of the default or any other right or remedy which Beneficiary may have on account of Grantor's default.

6.8 Applicable Law. This Trust Deed shall be governed by the laws of the State of Oregon.

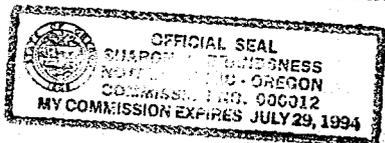
6.9 Time of Essence.
Time is of the essence of this Trust Deed.

IN WITNESS WHEREOF, Grantor has caused this Trust Deed to be executed as of the day and year first above written.


Rod L. Slade

STATE OF OREGON)
County of Klamath)) ss.

This instrument was acknowledged before me on the 26 day of December, 1990 by Rod L. Slade.




Notary Public for Oregon
My Commission expires: 07-29-90

EXHIBIT "A"

DESCRIPTION OF PROPERTY

The following described real property situate in Klamath County, Oregon:

PARCEL 1:

Beginning at the Southeasterly corner of Lot 1, Block 65, Buena Vista Addition to the City of Klamath Falls, Oregon; thence North $7^{\circ}16'$ East, along the Easterly boundary of said Lot 1, a distance of 112.2 feet, more or less, to the South boundary of Prescott Street; thence South $89^{\circ}31'30''$ West, along said South boundary of Prescott Street extended across said Lot 1, a distance of 62.26 feet, more or less, to the East boundary of Biehn Street as now improved and used; thence South $0^{\circ}28'30''$ East along the East boundary of said Biehn Street, a distance of 66.85 feet, thence South $34^{\circ}15'$ East, 51.2 feet, more or less, to the Southerly boundary of said Lot 1; thence Easterly along said Southerly boundary of Lot 1, 18.0 feet, more or less, to the point of beginning, being all that portion of Lot 1, Block 65, Buena Vista Addition to Klamath Falls, not used as portions of Prescott and Biehn Streets.

A portion of the vacated section of Lakeview Street that lies between Blocks 65 and 72 in Buena Vista Addition, and particularly described as follows: Beginning at the Southeast corner of Lot 1, Block 65, Buena Vista Addition to Klamath Falls, Oregon; thence North $7^{\circ}16'$ East, along the Easterly boundary of said Lot 1, a distance of 112.2 feet, more or less, to the South boundary of Prescott Street; thence North $89^{\circ}31'30''$ East, along said South boundary of Prescott Street, a distance of 46.53 feet; thence South $0^{\circ}28'30''$ East, 40.0 feet; thence South $89^{\circ}31'30''$ West, 13.0 feet; thence South $0^{\circ}28'30''$ East, 74.95 feet, more or less, to the Northerly boundary of Oregon Avenue; thence Northwesterly along said Northerly boundary of Oregon Avenue, a distance of 50.5 feet, more or less, to the point of beginning.

PARCEL 2:

All that portion of the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 20, Township 38 South, Range 9 East of the Willamette Meridian, lying North of the Southern Pacific Railway right of way, Klamath County, Oregon, described as follows:

Beginning at the intersection of the North line of the Southern Pacific Railroad right of way and the West line of Biehn Street; thence, Northerly 75 feet along the West line of Biehn Street to the point of beginning; thence 200 feet Westerly parallel to the S.P. R/W; thence, Northerly 200 feet parallel to the tangent of Biehn Street; thence Easterly parallel to the S. P. R/W to Biehn Street; thence, Southerly along the line of Biehn Street to the point of beginning.

PARCEL 3

All that portion of the SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 30, Township 39 South, Range 9 E.W.M., more particularly described as follows:

Beginning at a point on the northwesterly right of way line of the Klamath Falls Weed State Highway in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30, Township 39 South, Range 9 E.W.M., which point of beginning is 1320 feet North of the quarter corner common to Sections 30 and 31, Township 39 South, Range 9 E.W.M. and South $89^{\circ}44'$ West 1015 feet along the South line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30 to the northwesterly right of way line of said highway; thence along said highway

right of way line as follows: North 36°34' East 1792.17 feet; South 53°26' East 25.0 feet; thence North 36°34' East 412.3 feet to the true point of beginning of the tract herein described; thence continuing North 36°34' East 455 feet to a point, which is the most southerly corner of the tract conveyed to Robert D. McPherson by deed recorded October 8, 1956, in Volume 287 page 160; thence North 53°26' West along the Southerly line of said McPherson Tract to the southeasterly right of way line of the Southern Pacific Railroad right of way; thence Southwesterly along said southeasterly right of way line of the Southern Pacific Railroad to a point which is North 53°26' West to the true point of beginning; thence South 53°26' East to the true point of beginning.

PARCEL 4:

A parcel of land lying in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, described as follows: Beginning at a point on the Northwesterly right of way line of the Klamath Falls-Weed State Highway in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30, Township 39 South, Range 9 East of the Willamette Meridian, which point of beginning is North 1320 feet; thence South 89°44' West 1,015 feet along the South line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, to the Northwesterly right of way line of said highway, and thence along said highway right of way, as follows: North 36°34' East 1,792.17 feet South 53°26' East 25.0 feet and North 36°34' East 867.43 feet from the one quarter corner common to Sections 30 and 31 of said township and range; thence North 53°26' West 487.8 feet, more or less, to the Southeasterly right of way line of the Southern Pacific Railroad; thence North 33°38' East 276.0 feet along said railroad right of way line to the North line of said SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30; thence South 89°49' East 624.1 feet along said North line of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30, to the Northwesterly right of way line of said highway; thence South 36°34' West 646.6 feet along said right of way line to the point of beginning.

PARCEL 5:

Lots 17, 18 and 19 in Block 19 of Second Railroad Addition to the City of Klamath Falls, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

PARCEL 6:

A portion of the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, in the County of Klamath, State of Oregon, more particularly described as follows: Beginning at a point 235.4 feet South and 30 feet West of center of Section 3, Township 39 South, Range 9 East of the Willamette Meridian, which point is located on South side of the Right of Way of the Oregon California and Eastern Railroad; thence South 191 feet to the Northeast corner of First Addition to Altamont Acres; thence North 89°27' West along North boundary of said First Addition to Altamont Acres; 98.6 feet; thence North 231.91' to Southerly boundary of Right of Way of Oregon California and Eastern Railroad; thence Southeasterly along said South boundary of the Oregon California and Eastern Railroad 107.03 feet to the point of beginning, EXCEPTING THEREFROM that portion granted to Klamath County, for the widening of Crosby Avenue, by instrument recorded June 25, 1965 in Volume 362 at page 462.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Brandsness & Brandsness the 4th day
of Jan. A.D., 19 91 at 2:49 o'clock P.M. and duly recorded in Vol. M91
of Mortgages on Page 216

FEE \$38.00

Evelyn Biehn County Clerk

By Pauline Muckendall