

37044

Vol. 191 Page 23316

Loan #0100442949
MTC #26514

AFTER RECORDING PLEASE RETURN TO:
Klamath First Federal
2943 S. 6th St.
Klamath Falls, Oregon 97603

[Space Above This Line For Recording Data]

DEED OF TRUST

THIS DEED OF TRUST ("Security Instrument") is made on October 31
19 91. The grantor is Michael Kelly and S. Grayce Kelly, Husband and Wife
("Borrower"). The trustee is William L. Sisemore
("Trustee"). The beneficiary is KLAMATH FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, which is organized and existing
under the laws of The United States of America, and whose address is 2943 S. 6th St., Klamath Falls, Oregon 97603 ("Lender").
Borrower owes Lender the principal sum of Forty Eight Thousand and no/100
Dollars (U.S. \$48,000.00). This debt is evidenced by Borrower's note
dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not
paid earlier, due and payable on November 15, 2006. This Security Instrument
secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and
modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this
Security Instrument; (c) the performance of Borrower's covenants and agreements under this Security Instrument and the
Note; and (d) the repayment of any future advances, with interest thereon, made to Borrower by Lender pursuant to the
paragraph below ("Future Advances"). FUTURE ADVANCES. Upon request to Borrower, Lender, at Lender's option prior
to full reconveyance of the property by Trustee to Borrower, may make Future Advances to Borrower. Such Future Advances,
with interest thereon, shall be secured by this Deed of Trust when evidenced by promissory notes stating that said notes are
secured hereby. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the
following described property located in Klamath County, Oregon:

Lot 32 OF PIEDMONT HEIGHTS, according to the official plat thereof on file in
the office of the County Clerk of Klamath County, Oregon.

Tax Acct. #3909 001DA 01700

Key #510030

"UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY
US AFTER THE EFFECTIVE DATE OF THIS ACT CONCERNING LOANS AND OTHER
CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES
OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS
CONSIDERATION AND BE SIGNED BY US TO BE ENFORCEABLE."

which has the address of 2464 Watson Street, Klamath Falls
[Street] [City]
Oregon 97603 ("Property Address");
[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights,
appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or
hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the
foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant
and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants
and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with
limited variations by jurisdiction to constitute a uniform security instrument covering real property.

EXHIBIT "B"Permitted Exceptions

1. All tax liens of record as of the date hereof.

STATE OF OREGON: COUNTY OF KLAMATH: ss. ,

Filed for record at request of Mountain Title Co. the 6th day
of Nov. A.D., 19 91 at 2:36 o'clock P M., and duly recorded in Vol. M91,
of Mortgages on Page 23307.

Evelyn Biehn, County Clerk

FEE \$48.00

By Daniel Mullendare

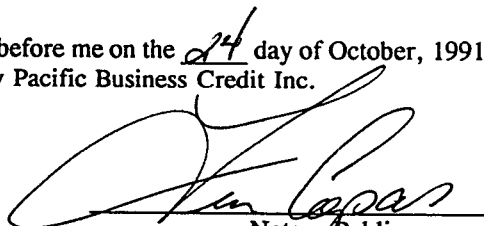
EXHIBIT "A"**The Real Property**

Lots 1, 17, 18 and 19 in Block 4 of Canal Addition to the City of Klamath Falls, Oregon, according to the official plat thereof on file in the Office of the County Clerk, Klamath County, Oregon, SAVING AND EXCEPTING the following described parcel: Beginning at the Northeasterly corner of Lot 17, Block 4, Canal Addition to the City of Klamath Falls, Oregon; thence South 52° 51' West along the Southeasterly line of Klamath Avenue, a distance of 10.0 feet; thence South 63° 34½' East 8.89 feet to a point on the Westerly line of Commercial Street, thence North along the Westerly line of Commercial Street, a distance of 10.0 feet to the point of beginning.

SITE NO. 108

STATE OF NEW YORK §
 COUNTY OF NEW YORK §

This instrument was acknowledged before me on the 24 day of October, 1991,
 by Richard T. Scala as Vice President of Security Pacific Business Credit Inc.



Notary Public
 FERN COPAS
 NOTARY PUBLIC, State of New York
 No. 41-4823727
 Qualified in New York County
 Commission Expires July 31, 1992

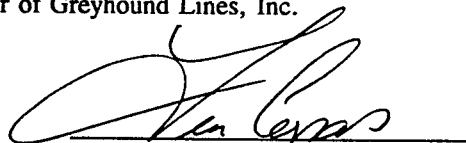
(SEAL)

My Commission expires: _____



STATE OF NEW YORK §
 COUNTY OF NEW YORK §

This instrument was acknowledged before me on the 24 day of October, 1991,
 by Don T. Seaquist as Vice President and Treasurer of Greyhound Lines, Inc.



Notary Public
 FERN COPAS
 NOTARY PUBLIC, State of New York
 No. 41-4823727
 Qualified in New York County
 Commission Expires July 31, 1993

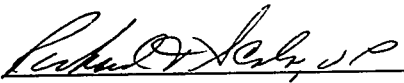
(SEAL)

My Commission expires: _____

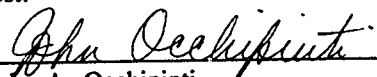
23312

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SECURITY PACIFIC BUSINESS CREDIT INC.,
a Delaware corporation

By: 
Richard T. Scala,
Vice President


Attest:

By: 
John A. Occhipinti,
Its Assistant General Counsel and Assistant Secretary


AFFIX CORPORATE SEAL



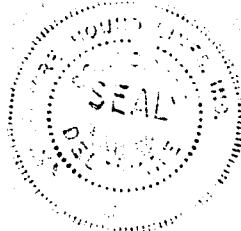
GREYHOUND LINES, INC.,
a Delaware corporation

By: 
Don T. Seaquist,
Vice President and Treasurer

Attest:

By: 
Melanie L. Scofield
Assistant Secretary

AFFIX CORPORATE SEAL



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instrument, agreement or document executed and/or delivered in connection therewith continue in full force and effect as security for the Liabilities to the same extent that the same secure the Existing Liabilities, without change to the priority thereof. Notwithstanding the foregoing, in the event that all or any portion of the Liabilities are not or cannot be secured by the Original Mortgage, it is understood and agreed that in consideration of Beneficiary's and Lenders' agreement to enter into the Loan Agreement and to make loans and other financial accommodations thereunder, and for Ten and No/100 Dollars (\$10.00), GLI does hereby ASSIGN, GRANT, CONVEY and MORTGAGE unto Beneficiary, its successors, assigns or substitutes, the Mortgaged Property, to have and to hold, together with all rights, hereditaments and appurtenances in any wise appertaining or belonging thereto, forever, subject only to the permitted encumbrances described on Exhibit "B" attached hereto. This conveyance is given to secure the payment of the Liabilities and all renewals, extensions, increases or modifications thereof, or any part thereof. There are incorporated into the terms and provisions of this section, all of the provisions contained in the Original Mortgage, as modified by this Modification.

2. Original Mortgage Still in Effect. As amended by this Modification, the Original Mortgage remains in full force and effect, and GLI hereby confirms all of the representations and warranties contained in the Original Mortgage and hereby represents and warrants that, except as disclosed to Beneficiary in writing, all facts stated in such representations and warranties continue to be true as of the date hereof and nothing is omitted therefrom which would cause them to be misleading in any respect as of the date hereof.

3. Multiple Counterparts. Multiple counterparts of this Modification may be signed by the parties, each of which shall be an original, but all of which together shall constitute one in the same instrument.

IN WITNESS WHEREOF, this Modification is executed as of the date specified below in the acknowledgement, to be effective as of the date first stated above by the person or persons signing below on behalf of the parties to this Modification (and such persons hereby represent that they have full power and authority to execute this Modification on behalf of such parties).

GLI HEREBY DECLARES AND ACKNOWLEDGES THAT IT HAS RECEIVED, WITHOUT CHARGE, A TRUE COPY OF THIS MODIFICATION.

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and with a copy to:

Jenkins & Gilchrist, P.C.
1445 Ross Avenue, Suite 3200
Dallas, Texas 75202-2711
Attention: Linda D. Sartin
Telecopier No.: 214/855-4300

If to GLI:

Greyhound Lines, Inc.
15110 North Dallas Parkway, Suite 400
Dallas, Texas 75248
Attention: J. Michael Doyle
Telecopier No.: 214/744-6579 or 214/744-7810

with a copy to:

Weil, Gotshal & Manges
901 Main Street, Suite 4100
Dallas, Texas 75202
Attention: Lawrence Stuart, Jr.
Telecopier No.: 214/746-7777

ARTICLE III

MISCELLANEOUS

1. Renewal, Extension and Modification. The Loan Agreement and Loan Documents executed and/or delivered in connection therewith renew, extend, amend, restate, supplement and/or otherwise modify the Original Loan Agreement and all indebtedness, obligations and other liabilities of GLI pursuant to the Original Loan Agreement and the instruments, agreements and other documents executed and/or delivered in connection therewith. All such indebtedness, obligations and liabilities continue in full force and effect (collectively referred to as the "Existing Liabilities"). This Modification is being executed and delivered for purposes of ratifying, confirming, renewing, extending, amending, supplementing and/or otherwise modifying the Original Mortgage and all assignments, pledges, security interests and liens created or intended to be created thereunder (collectively referred to as the "Existing Liens"); however, neither the Loan Agreement, this Modification nor any other instrument, agreement or other document executed and/or delivered in connection therewith or herewith shall constitute a novation of all or any portion of the Existing Liabilities or Existing Liens, and none of the same shall be deemed to have been accepted in extinguishment or satisfaction thereof. All Existing Liabilities and Existing Liens continue, and all other assignments, pledges, security interests and other liens created or evidenced by the Original Loan Agreement or any other

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e. Obligations. The term "Obligations" shall mean and refer to the "Obligations" described in the Loan Agreement;

f. Liabilities. The term "Liabilities" shall mean and refer to the Term Loan, the Revolving Loans (including, without limitation, the SP Revolving Loans), all Letter of Credit Obligations, all other Obligations and all other payment and performance obligations related to the Original Mortgage, as the same is hereby and may hereafter from time to time be renewed, extended, amended, increased, supplemented, restated and/or otherwise modified (the term "Liabilities" shall include, without limitation, accrued interest on the Term Loan, the Revolving Loans, the Letter of Credit Obligations and the other Obligations, as applicable); and

g. Other Defined Terms. Except as otherwise expressly defined above, all initially capitalized terms used in the Original Mortgage that derive their definition by reference to the Original Loan Agreement shall hereafter derive their meanings by reference to the Loan Agreement.

2. Permitted Exceptions. The Original Mortgage shall be, and is hereby, amended by deleting the Exhibit "B" attached to the Original Mortgage and replacing it with the Exhibit "B" attached hereto and incorporated herein for all purposes.

3. Notices. The provisions of the Original Mortgage that set forth the addresses of the respective parties for notice purposes are hereby amended by replacing the same with the addresses stated below:

If to Beneficiary:

Security Pacific Business Credit Inc.
228 East 45th Street
New York, New York 10017
Attention: Richard T. Scala
Telecopier No.: 212/682-1509

with a copy to:

Security Pacific Business Credit Inc.
10124 Old Grove Road
San Diego, California 92131
Attention: Thomas G. Montgomery, Esq.
Telecopier No.: 619/549-7508

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C. GLI has requested that the indebtedness and obligations secured by the Original Mortgage be renewed, extended and modified, and Beneficiary has agreed to such renewal, extension and modification upon and subject to the terms, conditions and provisions stated in the Loan Agreement and provided that this Modification be executed and delivered by GLI containing the terms, conditions and provisions stated herein.

AGREEMENTS

NOW, THEREFORE, for and in consideration of the premises stated above and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, GLI and Beneficiary hereby agree as follows:

ARTICLE I

DEFINITIONS

1. Defined Terms. Except as expressly otherwise defined in this Modification, all initially capitalized terms used herein shall have the same meanings as are ascribed to them in the Original Mortgage, or, if any such terms are not defined in the Original Mortgage, then they shall have the same meanings as are ascribed to them in the Loan Agreement.

ARTICLE II

AMENDMENTS TO ORIGINAL MORTGAGE

1. Amendments to Definitions. The following terms, as used in the Original Mortgage, are hereby amended and shall, hereafter, have the following definitions:

a. Loan Agreement. The term "Loan Agreement" shall mean that certain Modified Secured Loan Agreement dated as of even date herewith entered into by and among Beneficiary, in its capacity as agent thereunder, the Lenders and GLI, as the same may from time to time be renewed, extended, increased, amended, restated, supplemented or otherwise modified;

b. GLI Term Loans. The term "GLI Term Loans" shall mean and refer to the "Term Loan" described in the Loan Agreement;

c. Revolving Loans. The term "Revolving Loans" shall mean and refer collectively to the "Revolving Loans" and the "SP Revolving Loans" described in the Loan Agreement;

d. Letters of Credit and Letter of Credit Obligations. The terms "Letters of Credit" and "Letter of Credit Obligations" shall mean and refer to the "Letters of Credit" and "Letter of Credit Obligations" described in the Loan Agreement;