



Release and Waiver

The undersigned has an interest in the following described real property:

Lots 15 and 16, Block 202, Mills Second Addition aka 1330 East Main Street and 2061 White Street

located in the County of Klamath State of Oregon

Street Address: 1330 East Main Street, Klamath Falls, OR 97601 (the "Property").
Marilyn M. Denham ("Borrower") has applied to

United States National Bank of Oregon ("Bank") for a loan secured by the following described personal property to be located on the Property:
Accounts Receivable and Inventory

(the "Collateral").

To induce Bank to make a loan or loans to Borrower, secured by the Collateral, the undersigned waives and releases to Bank, its successors and assigns, all present and future right, title and interest of the undersigned in the Collateral now or hereafter located on the Property. The undersigned consents to the location of the Collateral upon the Property and agrees that, regardless of the manner in which the Collateral is installed or affixed to the Property, the Collateral shall at all times be considered personal property and not fixtures of any kind. The undersigned shall not move any of the Collateral from the Property until the undersigned has obtained Bank's prior written consent. The undersigned authorizes Bank, its successors or assigns, to enter upon the Property and inspect or remove any of the Collateral, committing only such injury to the Property as may be necessary to effect removal. In the event the Property is physically damaged by such removal, Bank will either repair the damage or reimburse the undersigned for the reasonable cost to effect any necessary repairs, but Bank will not be liable for any reduction in value of the Property solely attributable to removal of the Collateral. Bank shall provide the undersigned ten (10) days written notice of its intent to remove any Collateral from the Property which shall be effective if sent by U.S. First Class Mail, postage prepaid, or hand-delivered to the undersigned at the address below.

The undersigned will provide at least thirty (30) days written notice of any action of the undersigned to retake possession of the Property. This Release and Waiver shall remain in effect so long as Bank, its successors and assigns, shall have any interest in the Collateral by reason of a Mortgage, Trust Deed, Uniform Commercial Code Security Interest or otherwise, and shall be effective upon execution.

In the event any suit or action is instituted to enforce or interpret any of the terms of this Release and Waiver, the prevailing party shall be entitled to recover from the other party such sum as the court may determine reasonable as attorneys fees, at trial or on any appeal, in addition to all other sums provided by law.

This Release and Waiver shall be governed by the laws of the state in which the Property is located.

Dated: 8-13-92

After Recording return to: U.S. NATIONAL BANK
P.O. BOX 729, MEDFORD, OR 97501

INTERESTED PARTY

NUMBER AND STREET

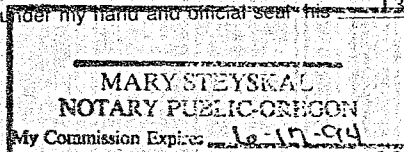
CITY/STATE/ZIP

INDIVIDUAL ACKNOWLEDGMENT

STATE OF Oregon)
County of Klamath) ss.

On this 13 day of August, 1992, personally appeared before me Harold A. Tiehm, to me known to be the individual(s) described in and who executed the foregoing instrument, and acknowledged the foregoing instrument to be free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN under my hand and official seal this 13 day of August, 1992



Mary Steyskal
NOTARY PUBLIC in and for the State of Oregon
Residing at: Klamath Falls, OR
My commission expires: 6/17/94

CORPORATE ACKNOWLEDGMENT

STATE OF _____)
County of _____) ss.

On this _____ day of _____, _____, personally appeared before me _____ and _____, to me known to be the _____ and _____ respectively, of _____

the corporation that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _____ was authorized to execute the said instrument by Authority of its Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

NOTARY PUBLIC in and for the State of _____
Residing at: _____
My commission expires: _____

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of U. S. National Bank the 20th day of Aug. A.D., 1992 at 11:25 o'clock A. M., and duly recorded in Vol. M92 of Mortgages on Page 18769

FEE \$10.00

Evelyn Biehn County Clerk
By Marilyn M. Denham

NOTARY PUBLIC in and for the State of _____
Residing at: _____
My commission expires: _____