

The grantor covenants and agrees to and with the beneficiary and those claiming under him, that he is lawfully seized in fee simple of said described real property and has a valid, unencumbered title thereto

and that he will warrant and forever defend the same against all persons whomsoever.

Beneficiary agrees to subordinate the lien of this Trust Deed to the lien of another lender, provided that grantor is not in default of the provisions of this Trust Deed or in the provisions of the Note, and provided that the new loan does not exceed the sum of \$500,000.00.

In the event of sale or transfer of the real property described herein, the entire unpaid balance of this Trust Deed and Note shall be due and payable immediately.

The grantor warrants that the proceeds of the loan represented by the above described note and this trust deed are:
(a)* primarily for grantor's personal, family or household purposes (see Important Notice below),
(b) for an organization, or (even if grantor is a natural person) are for business or commercial purposes.

This deed applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns. The term beneficiary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes the feminine and the neuter, and the singular number includes the plural.

IN WITNESS WHEREOF, said grantor has hereunto set his hand the day and year first above written.

* IMPORTANT NOTICE: Delete, by lining out, whichever warranty (a) or (b) is not applicable; if warranty (a) is applicable and the beneficiary is a creditor as such word is defined in the Truth-in-Lending Act and Regulation Z, the beneficiary MUST comply with the Act and Regulation by making required disclosures; for this purpose use Stevens-Ness Form No. 1319, or equivalent. If compliance with the Act is not required, disregard this notice.

[Signature]
JANICE K. WRIGHT

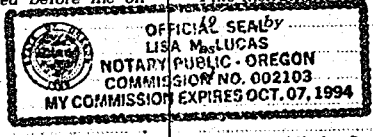
(If the signer of the above is a corporation, use the form of acknowledgement opposite.)

STATE OF OREGON,)
County of Klamath) ss.

STATE OF OREGON,)
County of) ss.

This instrument was acknowledged before me on
AUGUST 23, 19 93, by
JANICE K. WRIGHT

This instrument was acknowledged before me on



[Signature]
(SEAL) Notary Public for Oregon
My commission expires: 10/7/94

Notary Public for Oregon (SEAL)
My commission expires:

REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: _____, Trustee

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of said trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by said trust deed (which are delivered to you herewith together with said trust deed) and to reconvey, without warranty, to the parties designated by the terms of said trust deed the estate now held by you under the same. Mail reconveyance and documents to

DATED: _____, 19____.

Beneficiary

Do not lose or destroy this Trust Deed OR THE NOTE which it secures. Both must be delivered to the trustee for cancellation before reconveyance will be made.

TRUST DEED

(FORM No. 881-1)

STEVENS-NESS LAW PUB. CO., PORTLAND, ORE.

JANICE K. WRIGHT
Grantor

BARBARA KENT
Beneficiary

AFTER RECORDING RETURN TO
HENDERSON, MOLATORE & KLEIN
426 Main Street
Klamath Falls, OR 97601

SPACE RESERVED
FOR
RECORDER'S USE

STATE OF OREGON,)
County of) ss.

I certify that the within instrument was received for record on the _____ day of _____, 19____, at _____ o'clock _____ M., and recorded in book/reel/volume No. _____ on page _____ or as fee/tile/instrument/microfilm/reception No. _____, Record of Mortgages of said County.

Witness my hand and seal of County affixed.

NAME _____ TITLE _____
By _____ Deputy

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

PARCEL 1:

Township 39 South, Range 11 East of the Willamette Meridian:

SECTION 22: $SE\frac{1}{4}SW\frac{1}{4}$; $W\frac{1}{2}SE\frac{1}{4}$ and $SE\frac{1}{4}SE\frac{1}{4}$, EXCEPTING that portion lying North of the Langell Valley Market Road.

SECTION 25: $SE\frac{1}{4}SE\frac{1}{4}$; $N\frac{1}{2}SW\frac{1}{4}SE\frac{1}{4}$; $SE\frac{1}{4}SW\frac{1}{4}SE\frac{1}{4}$ and that portion of the $SW\frac{1}{4}SW\frac{1}{4}$ lying Southwesterly of West Langell Valley Road.

SECTION 26: All that portion of the $NW\frac{1}{4}NW\frac{1}{4}$ lying Westerly from a straight line drawn from a point on the North line of said Section 26, which point is 441.0 feet East of Section corner common to Sections 22, 23, 26 and 27, and to a point on the South line of said $NW\frac{1}{4}NW\frac{1}{4}$, which point is 252.0 feet East of the Southwest corner of the said $NW\frac{1}{4}NW\frac{1}{4}$ of said Section 26.

ALSO all that portion of $S\frac{1}{2}NW\frac{1}{4}$ of Section 26 lying Southwesterly from a line whose course is as follows: Beginning at a point on the South line of the $NW\frac{1}{4}NW\frac{1}{4}$ of Section 26, which point is 252.0 feet East of the Southwest corner of said $NW\frac{1}{4}NW\frac{1}{4}$; thence South 86° East, 406.0 feet; thence South 34° East, 811.0 feet; thence South 64° East, 407.0 feet; thence South 56° East, 810.0 feet, more or less, to a point on the South line of the $SE\frac{1}{4}NW\frac{1}{4}$ of Section 26.

ALSO all that portion of the $SE\frac{1}{4}$ of Section 26, lying Southwesterly of the Westerly boundary of the Langell Valley Market Road.

ALSO the $SW\frac{1}{4}$

EXCEPT from the $NW\frac{1}{4}NW\frac{1}{4}$ of Section 26 that portion lying Northeasterly of the West Langell Valley Road.

SECTION 27: $S\frac{1}{2}NE\frac{1}{4}$; $NE\frac{1}{4}SE\frac{1}{4}$; that portion of the $NE\frac{1}{4}NE\frac{1}{4}$ lying South of the Langell Valley Market Road.

SECTION 35: $N\frac{1}{2}NE\frac{1}{4}$

SECTION 36: $E\frac{1}{2}NE\frac{1}{4}$; $E\frac{1}{2}W\frac{1}{2}NE\frac{1}{4}$; $SE\frac{1}{4}$, LESS portion of $NW\frac{1}{4}NW\frac{1}{4}SE\frac{1}{4}$ lying Northeasterly of West Langell Valley Road; $NW\frac{1}{4}$; Lots 1 and 4.

Township 39 South, Range 12 East of the Willamette Meridian:

SECTION 30: Lot 4

SECTION 31: $SW\frac{1}{4}SE\frac{1}{4}$; $NE\frac{1}{4}NW\frac{1}{4}$; $NE\frac{1}{4}$, EXCEPT 7 acres, more or less, described as follows: Beginning at the Northeast section corner of Section 31; thence West 360 feet; thence South 822 feet; thence East 360 feet; thence North 822 feet to the point of beginning.

$N\frac{1}{2}SE\frac{1}{4}$; $SE\frac{1}{4}SE\frac{1}{4}$; Lot 4, EXCEPTING 5.85 acres, more or less, lying North of the Market Road.

Township 40 South, Range 12 East of the Willamette Meridian:

SECTION 1: Lots 1, 2, 5, 6 and 7; $SE\frac{1}{4}SW\frac{1}{4}$; $SW\frac{1}{4}NE\frac{1}{4}$; $W\frac{1}{2}SE\frac{1}{4}$

Township 40 South, Range 13 East of the Willamette Meridian:

SECTION 6: That portion of the N $\frac{1}{2}$ NE $\frac{1}{4}$ lying Northerly & Easterly of the Bonanza-Langell Valley Highway.

PARCEL 2:

Township 39 South, Range 11 East of the Willamette Meridian:

SECTION 25: SW $\frac{1}{2}$ SW $\frac{1}{2}$ SE $\frac{1}{4}$

SECTION 36: W $\frac{1}{2}$ W $\frac{1}{2}$ NE $\frac{1}{4}$; That portion of the W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$ lying Northeasterly of West Langell Valley Road.

Together with all appurtenant water rights and BLM grazing rights, specifically including all rights arising under Water Right Application No. G-8200, Permit No. 7654, as filed in the Office of the Water Resources Director of the State of Oregon and further specifically including Bureau of Land Management Grazing Allotment Nos. 0836 (Harpold Channing) and 0837 (Bryant-Horton).

EXCEPTIONS:

1. The assessment roll and the tax roll disclose that the within described premises were specially assessed as farm land. Taxes for the year 1993-94 and possibly prior years have been deferred pursuant to ORS 308.370 to 308.403. These, plus earned interest are due and payable when said reason for the deferment no longer exists.
2. Acreage and use limitations under provisions of United States Statutes and regulations issued thereunder.
3. Liens and assessments of Klamath Project and Langell Valley Irrigation District, and regulations, contracts, easements, water and irrigation rights in connection therewith.
4. Rights of the public in and to any portion of the herein described property lying within the boundaries of public roads or highways, ditches, canals or utility easements.
5. Easement, including the terms and provisions thereof, in favor of The California Oregon Power Company, recorded June 9, 1930, in Volume 91, Page 466, Deed Records of Klamath County, Oregon, for a 5-foot right of way over portion of the E $\frac{1}{2}$ NE $\frac{1}{4}$, Section 36.
6. Transmission Line Easement, including the terms and provisions thereof, given by James G. Stevenson, Jr. and Margaret E. Stevenson, husband and wife, to the United States of America, dated December 2, 1965, recorded December 14, 1965, in Volume M65, Page 4646, Deed Records of Klamath County, Oregon. Affects SW $\frac{1}{4}$ NW $\frac{1}{4}$, Section 26.

7. Access Road Easement, including the terms and provisions thereof, given by James C. Stevenson, Jr. and Margaret E. Stevenson, husband and wife, to the United States of America and Portland General Electric Company, dated December 2, 1965, recorded December 14, 1965, in Volume M65, Page 4649, Deed Records of Klamath County, Oregon. Affects W $\frac{1}{2}$ W $\frac{1}{2}$, Section 26, and SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 27.
8. Access Road Easement, including the terms and provisions thereof, given by James C. Stevenson, Jr. and Margaret E. Stevenson, husband and wife, to the United States of America and Portland General Electric Company, dated January 12, 1966, recorded January 19, 1966, in Volume M66, Page 561, Deed Records of Klamath County, Oregon. Affects SW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 26.
9. Easement, including the terms and provisions thereof, in favor of Portland General Electric Company, dated March 3, 1966, recorded March 3, 1966, in Volume M66, Page 1791, Deed Records of Klamath County, Oregon, for an electric transmission line. Affects Section 26.
10. Terms and provisions contained in Access Road Easement, from James C. Stevenson, Jr. and Margaret E. Stevenson, husband and wife, to the United States of America, dated August 5, 1968, recorded September 27, 1968, in Volume M68, Page 8787, Deed Records of Klamath County, Oregon. Affects W $\frac{1}{2}$ W $\frac{1}{2}$, Section 26, and SE $\frac{1}{4}$ NE $\frac{1}{4}$, Section 27.
11. Easement, including the terms and provisions thereof, in favor of Pacific Power and Light Company, dated March 13, 1973, recorded March 16, 1973, in Volume M73, Page 2773, Deed Records of Klamath County, Oregon, for electric transmission line over the SE $\frac{1}{4}$, Section 25, and SW $\frac{1}{4}$, Section 30.
12. Reservations and restrictions in deed from Eugene Aiello to Robert D. Liudahl and Greta M. Liudahl, husband and wife, dated November 2, 1973, recorded December 4, 1973, in Volume M73, Page 15673, Deed Records of Klamath County, Oregon, as follows: ". . . the grantor hereby reserved unto Grantor the rights to all oil, petroleum, gas, asphaltum and other minerals, gaseous, liquid and solid, including, but not limited to, geothermal rights in and under the above described real property." Affects SE $\frac{1}{4}$ SE $\frac{1}{4}$, Section 31.
13. Easement, including the terms and provisions thereof, in favor of Pacific Power and Light Company, dated December 17, 1973, recorded December 20, 1973, in Volume M73, Page 16217, Deed Records of Klamath County, Oregon, for electric transmission line over Sections 26 and 27.
14. Right of Way Easement, including the terms and provisions thereof, given by Robert L. Horton and Greta Mae Horton, to Pacific Power & Light Company, dated August 27, 1979, recorded September 4, 1979, in Volume M79, Page 21097, Deed Records of Klamath County, Oregon. Affects SW $\frac{1}{4}$ and SE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 26.
15. Contract of Sale from Merrill L. Nash to Janice K. Wright, a copy of which is recorded in Volume M90, Page 3936 of the Deed Records of Klamath County, Oregon.

EXHIBIT "A" - Page 3 of 3

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of _____ the _____ 30th day
 of _____ Aug. _____ A.D., 19 _____ 93 at 3:51 o'clock P _____ M., and duly recorded in Vol. _____ M93
 of _____ Mortgages _____ on Page _____ 21930

FEE \$30.00

Evelyn Biehn County Clerk

By Randall Mullendale