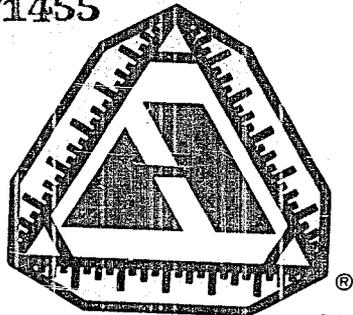


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PLEASE RETURN ALL PAGES WHEN SIGNED & RECORDED.

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Vol. m93 Page 30462



ADAIR HOMES, INC.

SINCE 1969

INTERIM COMMITMENT LETTER

BEAVERTON OFFICE

1111 S.W. 170th
BEAVERTON, OR 97006-4220
SALES (503) 645-3547
CONST (503) 645-1156
FAX (503) 645-9715

BEND OFFICE

63309 NELS ANDERSON RD.
BEND, OR 97701-5743
SALES/CONST (503) 382-4068
FAX (503) 382-8989

OLYMPIA OFFICE

2303 93RD AVE. S.W.
OLYMPIA, WA 98512-9156
SALES (206) 352-8571
CONST (206) 352-7641
FAX (206) 943-0701

Return to:
Adair Homes, Inc

BUSINESS CENTER
1111 S.W. 170th
BEAVERTON, OR 97006-4220
(503) 645-4730
FAX (503) 645-9715



DATE: September 14, 1993
BORROWER: Thomas L. & Teresa L. Hunt

ADDRESS: P.O. Box 674
Gilchrist, Oregon 97737

PROPERTY: 5 Flicker Lane
Crescent, Oregon

TERMS OF LOAN

LOAN AMOUNT: \$57,000.00

INTERIM FINANCE FEE: \$2,062.00 (INCLUDED IN CONTRACT)

TERMS: Due and payable in full by take-out lender fourteen (14) days after completion of Adair Contract.

CONDITIONS: Prior to start of construction, THE BORROWER WILL:

1. Subject to acceptable credit report and appraisal of property and proposed dwelling.
2. Provide Adair with Standard Mortgagee's Title Insurance Policy (ordered by Adair). Cost included in Adair Interim Finance Fee.
3. Provide Fire Insurance Policy showing Adair Homes, Inc., as First Mortgagee and Named Insured.
4. Sign Adair Trust Deed and Note.
5. Interest on Adair's Note will be calculated from completion of foundation until Interim is paid in full. Interest on Adair's Net Contract loan of \$57,057.00, which includes no land payoff or "Owner-to-do" funds, will be computed as construction progresses, based on the following schedule:

10% @ Foundation; 30% @ Roof; 30% @ Sheetrock; 20% @ Cabinets; 10% @ Completion.

Page 2

6. Interest during construction is included in loan interest and interest is to be accrued per Provisions of the Interim Loan Agreement within 14 days after substantial completion of Adair Contract or if any cause project delay.

7. Adair's interest does not include taxes to be applied to interest incurred for the "Water-to-Go Lines".

However, Turner agrees to complete all "Water-to-Go Lines" (see Attachment 1) including Paving, Excavation & Grading, etc., within 14 days after completion of Adair Contract and Driveway as detailed on Breakover & Slope Report dated September 14, 1993 in order to allow Directors Meeting to close the Interim Loan Agreement within fourteen (14) days after completion of Adair Contract.

8. Title to be vested as Thomas L. Hunt and Teresa L. Hunt as tenants in common, Adair Trust Deal. All property taxes must be paid by September 30, 1993.

9. Agree to make no charges or demands, stated or implied, on the bank or any other institution qualifying for permanent financing. This includes, but is not limited to, paying all debts promptly and not requesting any additional loans. Turner agrees that your permanent financing is not dependent upon any bank or mortgage agency's credit and approval qualifications, and that you will obtain approval and closing of the permanent loan.

10. To agree to comply with the conditions as outlined in permanent loan commitment from Directors Meeting dated September 30, 1993.

11. Agree to sign all lender's related documents.

12. Agree not to change lender during construction of project without the written consent of Adair Woods, Inc.

Turner understands that Adair Woods, Inc. is not being paid for the project.

Turner agrees to the interim finance commitment from Adair Woods, Inc. and to provide and provide within fourteen (14) days from the date of the completion of Adair Contract. Turner agrees to pay Adair Woods, Inc. 10% of the unpaid balance of the loan at the time of the completion of the project, whichever is greater.



13. Agree to pay the loan interest during construction of the project.

14. Agree to pay the loan interest during construction of the project.

15. Agree to pay the loan interest during construction of the project.

16. Agree to pay the loan interest during construction of the project.

17. Agree to pay the loan interest during construction of the project.

INTERIM COMMITMENT LETTER/HUNT
September 14, 1993

Page 2

6. Interest during construction is included in Adair Interim Fee. Additional interest to be accrued per Promissory Note Interim Loan is not paid off within 14 days after substantial completion of Adair contract or if owner causes project delay.

7. Adair's Interim Loan does not include funds to be applied toward bills incurred for the "Owner-to-do Items".

However, Owner agrees to complete all "Owner-to-do Items," including Painting, Excavation & Grading, Water, Septic, Temporary Electric Service, and Driveway as detailed on Breakdown & Binder Receipt dated May 19, 1993, in order to allow Directors Mortgage, to close the Permanent Loan within fourteen (14) days after completion of Adair Contract.

8. Title to be vested as Thomas L. Hunt and Teresa L. Hunt prior to recording Adair Trust Deed. All property taxes must be paid in full including 1992-93.

9. Agree to make no changes in financial status that would be detrimental to qualifying for permanent financing. This includes no employment change, paying all debts promptly and not incurring any additional debt. This is to assure that your permanent financing is not jeopardized when Directors Mortgage updates your credit and employment verifications prior to final approval and closing of the permanent loan.

10. We agree to comply with the conditions as outlined on permanent loan commitment from Directors Mortgage dated September 9, 1993.

11. Agree to sign all lender-required documents.

12. Agree not to change lender during construction of project without the written consent of Adair Homes, Inc.

13. Submit completed "Lot Ready Form" to our Bend Branch office.

14. In the event the take-out finance commitment from Directors Mortgage is not exercised and closed within fourteen (14) days from the substantial completion of Adair Contract, Owner agrees to pay Adair Homes Prime plus two (2) percent on the unpaid balance until paid, or a minimum of 12½ percent interest, whichever is greater.

15. Owner to pay Adair Homes \$57.00 to cover shortage of loan commitment from Directors Mortgage in the amount of \$57,000.00 to cover Adair's Contract in the amount of \$57,057.00. This amount will be due prior to the start of construction.

INTERIM COMMITMENT LETTER/HUNT
September 14, 1993

Page 3

It will be the Owner's responsibility to notify the take-out (Permanent) Lender when construction has been completed in order for Permanent Lender to proceed with their final inspection and closing paperwork.

The Borrower will promptly complete all items required of them to insure that the home is totally completed by substantial completion of the Adair Contract.

Failure to complete "Owner-to-do Items" on a timely basis during construction could delay project and cause additional interest to accrue on the outstanding balance of the Interim Loan.

In the event of suit or action to enforce this Agreement, the prevailing party shall be entitled to judgment for its reasonable attorney's fees to be fixed by the trial court and, if any appeal is taken, from the appellate court.

This Interim commitment Letter expires in thirty (30) days if not accepted by the Borrower.

Sincerely,

ADAIR HOMES, INC.
Your Home Team '93

Kevin Drew
Finance Manager
503/645-4750

KD/bmc
cc: Bend Branch

TERMS AND CONDITIONS ACCEPTED:

X 9-17-93
Date

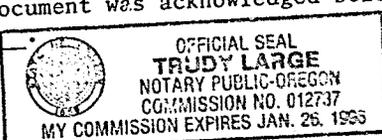
X 9-17-93
Date

BY: Thomas L. Hunt
THOMAS L. HUNT

BY: Teresa L. Hunt
TERESA L. HUNT

STATE OF OREGON
COUNTY OF KLAMATH

This document was acknowledged before me on this 17th of September, 1993



BY: Trudy Large
Notary Public

My Commission Expires: 1-26-95

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Mountain Title Co the 18th day of Nov. A.D., 19 93 at 9:39 o'clock A.M. and duly recorded in Vol. 3193 of Mortgages on Page 30462
Evelyn Bighn County Clerk
By [Signature]

FEE \$20.00