

Loan No. 12321

Loan No. 12322

K-50160-P
COMMON DEFAULT AGREEMENT

THIS AGREEMENT made this 9th day of April, 1997, LARRY D. OLSON and ELIZABETH L. OLSON, husband and wife (hereinafter collectively referred to as the "Borrower"), and THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK, a New York corporation, (hereinafter referred to as the "Lender").

RECITALS

A. The Lender is the owner and holder of that certain Promissory Note, in the original principal amount of Four Hundred Fifty Thousand and 00/100 Dollars (\$450,000.00), evidencing MONY Loan No. 12321, made by Borrower, dated January 24 1997, which said Note is secured by an Oregon Mortgage and Security Agreement of even date therewith, recorded on January 27 1997, in the Mortgage Records of Klamath County, Oregon, in Volume M97 at Page 2248, which said Mortgage presently encumbers the real property described in Exhibit "A" attached hereto and made a part hereof by this reference.

B. The Lender is also the owner and holder of that certain Promissory Note, in the original principal amount of Eight Hundred Thousand and 00/100 Dollars (\$800,000.00), evidencing MONY Loan No. 12322, made by Borrower, dated January 24 1997, which said Note is secured by an Oregon Mortgage and Security Agreement of even date therewith, recorded on January 27 1997, in the Mortgage Records of Klamath County, Oregon, in Volume M97 at Page 2262, which said Mortgage presently encumbers the real property described in Exhibit "B" attached hereto and made a part hereof by this reference.

C. MONY Loan Nos. 12321 and 12322 were made by MONY on the express condition that the Notes evidencing MONY Loan 12321 and MONY Loan No. 12322, and the Mortgages securing said loans, be tied together with a common default agreement.

NOW THEREFORE, in consideration of the extension of credit by MONY to the Borrower, the mutual promises of the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower hereby agrees with MONY follows:

Anything in the two Notes and Mortgages evidencing and securing the aforesaid loans to the contrary notwithstanding, upon default in the repayment of the indebtedness of either of the above identified Notes, or upon default in the performance of any covenant, agreement, term, or condition contained in either of the above identified Mortgages securing same, the holder of the Notes and Mortgages securing same shall have the option of maturing the indebtedness evidenced by both of said Notes, and foreclosing both of the Mortgages, even though the other Note and Mortgage be not then in default.

Except as hereinabove modified, the above identified Notes and Mortgages securing same shall remain in full force and effect and the Borrower hereby ratifies and confirms all the terms, conditions, and obligations of the above identified Notes and Mortgages.

Return to: First American
1330 SW Highland Ave
Redmond, Or 97756

attn: Cheryl

97 JUN 27 AM 1:48

20081

This agreement shall bind and inure to the benefit of the successors and assigns of the parties hereto.

BORROWER

Elizabeth L. Olson
Elizabeth L. Olson

Larry D. Olson
Larry D. Olson

LENDER

The Mutual Life Insurance Company of New York

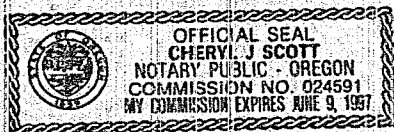
Attest: David M. Brown
David M. Brown,
Assistant Secretary

By: James O. Melton
James O. Melton, Vice President

STATE OF OREGON

COUNTY OF Multnomah

This instrument was acknowledged before me on the 9 day of April, 1997, by Larry D. Olson and Elizabeth L. Olson, husband and wife.



Cheryl J. Scott
Notary Public, State of Oregon

My Commission Expires: 6-9-97
Printed Name of Notary: Cheryl J. Scott

STATE OF MISSOURI

COUNTY OF ST. CHARLES

On this 9th day of April, 1997, before me appeared James O. Melton, to me personally known, who, being by me duly sworn, did say that he is a Vice President of The Mutual Life Insurance Company of New York, a New York corporation, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Trustees, and that he acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in said County and State the day and year last above written.

JENNIFER JO TODD
Notary Public - Notary Seal
STATE OF MISSOURI

Jennifer Jo Todd
Notary Public, State of Missouri

OLSON DEFAULT AGREEMENT

St. Charles County
My Commission Expires March 10, 2001

EXHIBIT A

MONY Loan No. 17321

MONY Loan No. 17322

Larry D. & Elizabeth L. Olson

- PARCEL 1:** Township 29 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon:
 Section 22: NW1NW1, W1E1NW1, W1NE1SW1
 Section 15: SW1SW1, W1SE1SW1
- PARCEL 2:** Township 29 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon:
 Section 28: S1SW1
 Section 33: N1NW1
- PARCEL 3:** Township 29 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon:
 Section 13: W1SW1
 Section 14: S1 and NE1
 Section 15: S1NW1NE1, SW1NE1, E1NW1NW1, S1NE1NW1, SE1NW1 and N1NE1SW1
 Section 23: E1 and E1W1
 Section 24: NW1
 Section 25: W1
 Section 26: All
- PARCEL 4:** Township 29 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon:
 Section 14: NW1
- PARCEL 5:** Township 29 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon:
 Section 10: SE1SE1SE1
 Section 11: S1SW1SW1 and SW1SE1SW1
 Section 15: N1SE1SE1, NE1SE1, SE1NE1, and E1NE1NE1

EXHIBIT B
MONY Loan No. 12321
MONY Loan No. 12322
Larry D. & Elizabeth L. Olson

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

Township 36 South, Range 13 East of the Willamette Meridian:

Section 1: S½NE¼, SE¼, S½NW¼, SW¼
 Section 2: E½SE¼, Lot 1, SE½NE¼

Township 36 South, Range 14 East of the Willamette Meridian:

Section 24: All
 Section 25: N½NW¼NW¼, E½NW¼, NE½SW¼, NE¼, SE¼
 Section 26: All
 Section 36: NW½NE¼

Township 36 South, Range 15 East of the Willamette Meridian:

Section 16: W½SW¼
 Section 17: W½, S½SE¼
 Section 18: S½N¼, N½S¼
 Section 19: All
 Section 20: N½N¼, SE½NW¼, NE½SW¼, SW½NE¼
 Section 21: W½, SE¼
 Section 27: W½, SE¼
 Section 29: All
 Section 31: NW¼, NE¼, N½S¼
 Section 33: W½, SE¼
 Section 35: NW¼, S½

SAVING AND EXCEPTING a strip of land 66 feet in width across the SE½SE¼ of Section 21 and the NE½SE¼ of Section 31, Township 36 South, Range 15 East of the Willamette Meridian, conveyed to Weyerhaeuser Timber Company as discribed in Parcels 1 and 2 in Deed recorded July 25, 1958, in volume 301 page 347, Deed records of Klamath County, Oregon.

ALSO SAVING AND EXCEPTING a strip of land 66 feet in width in the N½NW¼ and SW½NE¼ of Section 33, Township 36 South, Range 15 East of the Willamette Meridian, conveyed to Weyerhaeuser Timber Company by deed recorded January 13, 1959, in Volume 308 page 577, Deed records of Klamath County, Oregon.

STATE OF OREGON: COUNTY OF KLAMATH: ss.

Filed for record at request of Klamath County Title the 27th day
 of June A.D., 1997 at 11:48 o'clock A.M., and duly recorded in Vol. M97
 of Mortgages on Page 20080

FEE \$25.00

By Bernetha G. Letsch, County Clerk
Bartlett Ross