TRUST DEED W.C. RANCH, INC., an Oregon corporation -8 PM 3: 28

KLAMATH FALLS, OR 97603

Gräntor

H.R. SCHLECHT AND DELLA SCHLECHT

16650 HILL ROAD

KLAMATH FALLS, OR 97603 44630 Vol M99 Page Beneficiary MTC 491/82-KR After recording return to: ESCROW NO. MT49682-KR 222 S. 6TH STREET KLAMATH FALLS, OR 97601 THIS TRUST DEED, made on NOVEMBER 5, 1999, between W.C. RANCH, INC., an Oregon corporation, as Grantor, AMERITITLE, an Oregon Corporation, as Grantor, h.R. SCHLECHT AND DELLA SCHLECHT, or the survivor thereof, as Beneficiary, Grantor irrevocably grants, bargains, sells and conveys to trustee in trust, with power of sale, the property in KLAMATH County, Oregon, described as:

SEE EXHIBIT A WHICH IS MADE A PART HEREOF BY THIS REFERENCE

together with all and singluar the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise now or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection

together with all and singluar the tenements, hereditaments and appurtenances and all other rights thereunto belonging or in anywise only or hereafter appertaining, and the rents, issues and profits thereof and all fixtures now or hereafter attached to or used in connection POR THE PORPOSE OF SECURING PERFORMANCE of each agreement of granton herein contained and payment of the sum of SECURING PERFORMANCE of each agreement of granton herein contained and payment of the sum of according to the terms of a promiseror of the sum of according to the terms of a promiseror of the sum of according to the terms of a promiseror of the sum of according to the terms of a promiseror of the sum of the sum of according to the terms of a promiseror of the sum of the sum of according to the terms of a promiseror of the sum of the s

NOTE: The Trust Deed Act provides that the Trustee hereunder must be either an attorney, who is an active member of the Oregon State Bar, a bank, trust company, or savings and loan association authorized to do business under the laws of Oregon or the United States, a title insurance company authorized to insure title to real property of this state, its subsidiaries, affiliates, agents or branches, the United States or any agency thereof, or an escrow agent licensed under ORS 696.505 to 696.585.

in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by grantor in such proceedings, shall be paid to beneficiary and applied by it first upon any such reasonable costs and expenses and attorney's fees, both in the trial and appellate on the processarily paid or incurred by beneficiary in such proceedings, and the balance applied upon the indebteness control and grantor agrees, at its own expense, to take such actions and execute such instruments as shall be indebteness and the control of the property of the payment of the payment of the red from time to time upon written request of beneficiary, payment of its fees and presentation of this deed and the note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of note for endorsement (in case of full reconveyances, for cancellation), without affecting the liability of any person for the payment of the indebtedness, trustee may (a) consent to the making of any map or plat of saud effecting this deed on the line of charge thereof; (d) reconvey, without warranty, all or any subordination. The grantee in any reconveyance may be described as the "person or persons legally entitled thereor." (i) pain any subordination of any matters or facts shall be conclusive proof the truthfulness thereof, persons legally entitled thereor. The proof of any person or the proof of the truthfulness thereof or payment of any default by grantor hereinable therein of any matters of refacts shall be conclusive proof of the truthfulness thereof or payment of any default by grantor hereinable, the payment of any security for the indebtedness hereby secured, enter upon and taking post the payment and or property of the indebtedness hereby secured entering any person or the trustee of property and the proof in its own annex sec or otherwise condition, including reasonable including those past due and unpaid, and apply the same, less costs an eherolicar

their interests may appear in the order of their priority and (4) the surplus, if any, to the grantor or to his successor in interest entitled to such surplus.

16. Beneficiary may from time to time appoint a successor or successors to any trustee named herein or to any successor trustee appointed hereunder. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by beneficiary, which, when recorded in the mortgage records of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

17. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by trustee.

The grantor covenants and agrees to and with the beneficiary and the beneficiary's successor in interest that the grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title thereto and that the grantor will warrant and forever defend the same against all persons whomsoever.

WARNING: Unless grantor provides beneficiary with evidence of insurance coverage as required by the contract or loan agreement between them, beneficiary may purchase insurance at grantor's expense to protect beneficiary's interest. This insurance may, but need not, also protect grantor's interest. If the collateral becomes damaged, the coverage purchased by beneficiary way not pay any claim made by or against grantor is responsible for the

liability insurance requirements imposed by applicable law.

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 [NOTICE: Line out the warranty that does not apply]

(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 beneficary shall mean the holder and owner, including pledgee, of the contract secured hereby, whether or not named as a beneficiary herein.

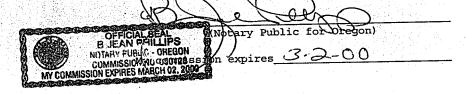
In construing this mortgage, it is understood that the mortgagor or mortgagee may be more than one person; that if the context so requires, the singular shall be taken to mean and include the plural and that generally all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to individuals.

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

Oregon corporation W.C. RANCH, BY: JOHN W. DEY, SECRETARY

State of Oregon County of KLAMATH

This instrument was acknowledged before me on November 8th, 1999 by JOHN W. DEY, SECRETARY FOR W.C. RANCH, INC., AN OREGON CORPORATION.



ro:	, Trustee
trust deed or pursuant to statute to cancel all evidences of inde	dness secured by the foregoing trust deed. All sums secured by the trust ed, on payment to you of any sums owing to you under the terms of the ebtedness secured by the trust deed (which are delivered to you herewith to, to the parties designated by the terms of the trust deed the estate now is to:
.DATED: , 19	일 : 전기에 가장 있는 경험 등 경험을 통해 하는 것이 되었다. 소리 가장 한 경기를 보고 있는 중요한 경기를 하는 것이 되었다.
Do not lose or destroy this Trust Deed OR THE NOTE which is Both must be delivered to the trustee for cancellation before	it secures.

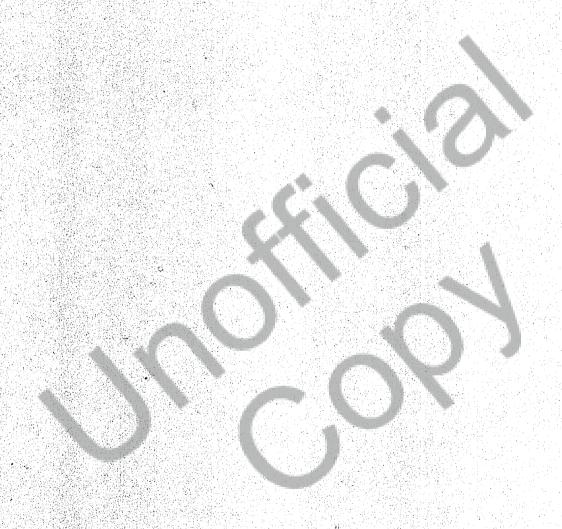


EXHIBIT "A" LEGAL DESCRIPTION

The SE1/4 of the SW1/4 of Section 16, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon; and Government Lots 6 and 7, the W1/2 of the NE1/4, and the NE1/4 of the NW1/4, of Section 21, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

ALSO Government Lot 8 of Section 21, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING THEREFROM that portion of said Government Lot 8 described as follows:

A portion of Government Lot 8 in Section 21, 80 feet wide extending between the Easterly line of Lost River and the Southwest line of the Klamath Irrigation District "G" Canal, and lying 40 feet on each side of the following described line:

Beginning at a point on the Southwesterly right of way line of the Klamath Irrigation District "G" Canal, and lying 40 feet on each side of the following described line:

Beginning at a point on the Southwesterly right of way line of the Klamath Irrigation District "G" Canal at centerline station 305+13 from whence the center of Section 21, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon bears the following courses:

North 78 degrees 46' 32" East 64.3 feet; thence South 32 degrees 22' East 440.4 feet; thence South 89 degrees 56' East 133.1 feet; thence from said point of beginning South 78 degrees 46' 32" West 286 feet, more or less, to the Easterly shore line of Lost River.

AND ALSO EXCEPTING THEREFROM...

That portion of Government Lot 8 of Section 21, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon, lying Northerly and Easterly of Lost River, Westerly of the USBR G Canal and Northerly of the North line of the following described narcel:

A portion of Government Lot 8 in Section 21, 80 feet wide extending between the Easterly line of Lost River and the Southwest line of the Klamath Irrigation District "G" Canal, and lying 40 feet on each side of the following described line:

Beginning at a point on the Southwesterly right of way line of the Klamath Irrigation District "G" Canal at centerline station 305+13 from whence the center of Section 21, Township 40 South, Range 10 East of the Willamette Meridian, Klamath County, Oregon bears the following courses:

North 78 degrees 46' 32" East 64.3 feet; thence South 32 degrees 22' East 440.4 feet; thence South 89 degrees 56' East 133.1 feet; thence from said point of beginning South 78 degrees 46' 32" West 286 feet, more or less, to the Easterly shore line of State of Oregon, County of Klamath Recorded 11/08/99, at 3:28 p.m. Lost River. In Vol. M99 Page 44630 Lieda Smith.

Fee\$_25° County Clerk