

Donald J. Churnside
Gaydos, Churnside & Baker
440 E. Broadway, Suite 300
Eugene, OR 97401

Trustee's Name and Address

Jeanette L. Thompson
77340 London Road
Cottage Grove, OR 97424

Second Party's Name and Address

After recording, return to:

Donald J. Churnside
Gaydos, Churnside & Baker
400 East Broadway, Suite 300
Eugene, OR 97401

Send all tax statements to:

Jeanette L. Thompson
77340 London Road
Cottage Grove, OR 97424

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2000 DEC -7 AM 11:36

K55443

TRUSTEE'S DEED

THIS INDENTURE, Made this 1st day of December, 2000, between DONALD J. CHURNSIDE, hereinafter called trustee, and JEANETTE L. THOMPSON, hereinafter called the second party;

WITNESSETH:

RECITALS: WILLIAM G. LIGHTNER, SR., as grantor, executed and delivered to First American Title Insurance Co., as trustee, and thereafter DONALD J. CHURNSIDE, successor trustee, for the benefit of JEANETTE L. THOMPSON, as beneficiary, a certain trust deed dated April 19, 1993, recorded May 17, 1993, in the Records of Klamath County, Oregon, in Volume M93 at page 11086. AND JULEE'S COUNTRY INN, INC., an Oregon corporation, and JOHN POST, as grantor, executed and delivered to Northwest Escrow, Inc., as trustee, and thereafter DONALD J. CHURNSIDE, successor trustee, for the benefit of Frank H. Dye and Mary Elda Dye, whose interest was assigned to JERRY E. THOMPSON, LARRY E. THOMPSON and BARBARA J. MITCHELL, as beneficiary, a certain trust deed dated April 21, 1984, recorded April 25, 1984, in the Records of Klamath County, Oregon, in Volume M84 at page 6765. In those trust deeds, the real property therein and hereinafter described was conveyed by the grantor to the trustee to secure, among other things, the performance of certain obligations of the grantor to the beneficiary. The grantor thereafter defaulted in performance of the obligations secured by the trust deed as stated in the notice of default hereinafter mentioned, an such default still existed at the time of the sale hereinafter described.

By reason of the default, the owner and holder of the obligations secured by the trust deed, being the beneficiary therein named, or the beneficiary's successor in interest, declared all sums so secured immediately due and owing. Notices of default containing an election to sell the real property and to foreclose the trust deed by advertisement and sale to satisfy the asserting grantor's obligations were recorded on May 22, 2000, in the Records of Klamath County, in Volume M00 at page 18411, and on June 13, 2000, in the Records of Klamath County, in Volume M00 at page 21380, respectively, to which reference now is made.

After recording the notice of default, the undersigned trustee gave notice of the time for and place of sale of the real property, as fixed by the trustee and as required by law. Copies of the notice of sale were served pursuant to ORCP 7 D. (2) and 7 D. (3), or mailed by both first class and certified mail with return receipt requested, to the last known addresses of the persons or their legal representatives, if any, named in ORS 86.740 (1) and 86.740(2)(a), at least 120 days before the date the property was sold. A copy of the notice of sale was mailed by first class and certified mail with return receipt requested to the last known address of the fiduciary or personal representative of any person named in ORS 86.740(1), promptly after the trustee received knowledge of the disability, insanity or death of any such person. Copies of the notice of sale were served upon occupants of the property described in the trust deed in the manner in which a summons is served pursuant to ORCP 7 D. (2) and 7 D. (3) at least 120 days before the date the property was sold, pursuant to ORS 86.750 (1). If the foreclosure proceedings were stayed and released from the stay, copies of an amended notice of sale in the form required by ORS 86.755(6) were mailed by registered or certified mail to the last known addresses of those persons listed in ORS 86.740 and 86.750 (1) and to the address provided by each person who was present at the time and place set for the sale which was stayed within 30 days after the release from the stay. The trustee published a copy of the notice of sale in a newspaper of general circulation in each county in which the real property is situated once a week for four successive weeks. The last publication of the notice occurred more than twenty days prior to the date of sale. The mailing, service and publication of the notice of sale are shown by affidavits and/or proofs of service duly recorded prior to the date of sale in the county records,

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The undersigned trustee, on November 28, 2000, at the hour of 2:00 p.m., in accord with the standard of time established by ORS 187.110, (which was the day and hour to which the sale was postponed as permitted by ORS 86.755(2)) and at the place so fixed for sale, in full accordance with the laws of the State of Oregon and pursuant to the powers conferred upon the trustee by the trust deed, sold the real property in one parcel at public auction to the second party for the sum of \$300,000.00, the second party being the highest and best bidder at the sale, and that sum being the highest and best bid for the property.

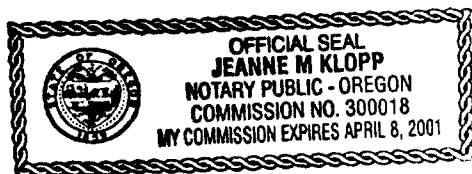
NOW, THEREFORE, in consideration of that sum so paid by the second party in cash, the receipt whereof is acknowledged, and by the authority vested in the trustee by the laws of the State of Oregon and by the trust deed, the trustee does hereby convey unto the second party all interest which the grantor had or had the power to convey at the time of grantor's execution of the trust deed, together with any interest the grantor or grantor's successors in interest acquired after the execution of the trust deed in and to the following described real property, to-wit:

TO HAVE AND TO HOLD the same unto the second party and the second party's heirs, successors in interest and assigns forever.

IN WITNESS WHEREOF, the undersigned trustee has hereunto executed this document. If the undersigned is a corporation, it has caused its name to be signed and its seal, if any, affixed by an officer or other person duly authorized to do so by order of its board of directors.


Donald J. Churnside

This instrument was acknowledged before me on December 1st, 2000, by Donald J. Churnside as Successor Trustee.



Leanne M. Klopp
Notary Public for Oregon

After recording return to:
Donald J. Churnside
GAYDOS, CHURNSIDE & BAKER, P.C.
440 E. Broadway, Suite 300
Eugene, Oregon 97401

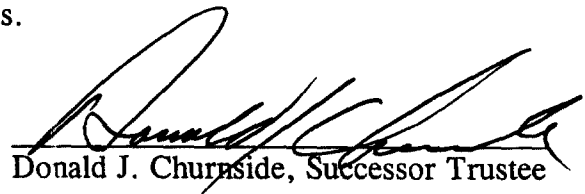
43973

CERTIFICATE OF NON-MILITARY SERVICE

STATE OF OREGON)
) ss.
County of Lane)

This is to certify that I am the authorized representative of the beneficiary in the following trust deeds: (A) William G. Lightner, Sr., as grantor, conveyed to trustee certain real property in Klamath County, Oregon; which trust deed was dated April 19, 1993, and recorded May 17, 1993 in the official records of said county in Volume M93 at page 11086; and (B) Julee's Country Inn, Inc., an Oregon corporation, and John Post, as grantor, conveyed to trustee certain real property in Klamath County, Oregon; which trust deed was dated April 21, 1984 and recorded April 25, 1984, in the official records of said county in Volume M84 at page 6765. Thereafter, notices of default with respect to said trust deeds were recorded May 22, 2000, in the Records of Klamath County, in Volume M00 at page 18411 and on June 13, 2000, in the Records of Klamath County, in Volume M00 at page 21380, respectively; thereafter said trust deeds were duly foreclosed by advertisement and sale and the real property covered by said trust deeds was sold at the trustee's sale on November 28, 2000. I reasonably believe at no time during the period of 121 days immediately preceding the day of said sale and including the day thereof was the real property described in and covered by said trust deeds, or any interest therein, owned by a person in the military service as defined in Article I of the "Soldiers' and Sailors' Civil Relief Act of 1940," as amended.

In construing this certificate the masculine includes the feminine, the singular includes the plural, the word "grantor" includes any successor in interest to the grantor, the word "trustee" includes any successor trustee, and the word "beneficiary" includes any successor in interest to the beneficiary named in said trust deeds.


Donald J. Churnside, Successor Trustee

SUBSCRIBED AND SWORN to before me this 1st day of December, 2000 by
Donald J. Churnside as Successor Trustee.



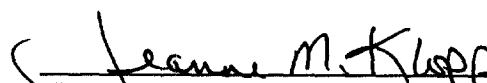

Notary Public for Oregon
My Commission Expires: 4-8-01

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL 1

A tract of land situated in the Southwest 1/4 of the Southwest 1/4 of Section 21, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at an iron pin on the Easterly right of way line of the Dalles-California Highway which lies South 19 degrees 24' East a distance of 649.2 feet from the Southwest corner of Block 8 of Chemult, Oregon, and running thence continuing South 19 degrees 24' East along the Easterly right of way line of the Dalles-California Highway a distance of 242.4 feet to an iron pin; thence North 70 degrees 36' East 330 feet to an iron pin on the Westerly right of way line of the S. P. R. R., which pin is also on the forty line; thence North 20 degrees 54' West along the Westerly right of way line of the S. P. R. R., a distance of 242.4 feet to an iron pin; thence South 70 degrees 36' West a distance of 325.6 feet more or less, to the point of beginning, said tract being in the SW1/4 SW1/4 of Section 21, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon.

PARCEL 2

A tract of land situated in the SW1/4 of the SW1/4 of Section 21, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at a point on the Easterly right of way line of the Dalles-California Highway, which lies South 19 degrees 24' East a distance of 1068.4 feet from the Southwest corner of Block 8, CHEMULT; thence following an arc of a 03 degrees 04' curve to the left a distance of 23.2 feet to the true point of beginning of the tract herein described; thence continuing on the arc to a 03 degrees 04' curve to the left a distance of 281.1 feet to a point; thence South 28 degrees 43' East a distance of 26 feet, more or less, to the South line of the SW1/4 of the SW1/4 of said Section, Township and Range; thence East along said South line a distance of 124.2 feet more or less, to the Southeast corner of the SW1/4 SW1/4 of said Section, Township and Range; thence North along the East line of said SW1/4 SW1/4 363 feet to a point; thence South 70 degrees 36' West 261.5 feet, more or less to the true point of beginning.

PARCEL 3

A parcel of land lying in the NW1/4 NW1/4 of Section 28, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon and being a portion of that property described in that deed to the State of Oregon, by and through its State Highway Commission, recorded in Book 268, page 143 of Klamath County Record of Deeds; the said parcel being described as follows:

Beginning on the Northerly line of said NW1/4 NW1/4 at a point 66.96 feet Northeasterly of (when measured at right angles to) the center line of the Dalles-California Highway, said point being 125.78 feet Westerly of (when measured along said Northerly line) the Northeast corner of said NW1/4 NW1/4; thence Southeasterly parallel with said center line to a point opposite Engineer's Station 732 + 32.60; thence Northeasterly at right angles to said center line 83.04 feet to the Easterly line of said property; thence Northwesterly along said Easterly line to said Northerly line; thence Westerly along said Northerly line to the point of beginning.

PARCEL 4

A tract of land situated in the SW1/4 of the SW1/4 of Section 21, Township 27 South, Range 8 East of the Willamette Meridian, Klamath County, Oregon, being more particularly described as follows:

Beginning at an iron pin on the Easterly right of way line of the Dalles-California Highway which lies South 19 degrees 24' East a distance of 891 feet from the Southwest corner of Block 8 of Chemult, Oregon, and running thence, continuing South 19 degrees 24' East along the Easterly right of way line of the Dalles-California Highway a distance of 176.8 feet and thence following the arc of a 3 degree 1' curve to the left a distance of 23.2 feet to an iron pin on the Easterly right of way line of the Dalles-California Highway; thence North 70 degrees 36' East a distance of 251.5 feet to an iron pin on the forty line; thence North 0 degrees 32' West along the forty line a distance of 211.4 feet to an iron pin on the Westerly right of way line of the S. P. R. R.; thence South 70 degrees 36' West a distance of 330 feet more or less to the point of beginning, being in the SW1/4 SW1/4 of Section 21, Township 27 South Range 8 East of the Willamette Meridian, Klamath County, Oregon.

EXCEPTING FROM the above described parcels all mineral rights as reserved by Deed recorded in Volume 125, page 177 and Volume 135, page 269, Deed Records of Klamath County, Oregon.

PARCEL 5

A parcel within the SE1/4 SW1/4 of Section 21, Township 27 South Range 8 East of the Willamette Meridian, Klamath County, Oregon, described as follows:

Beginning at the Southwest corner of the SE1/4 SW1/4 of said Section 21; thence North 00 degrees 00' 31" East, 564.73 feet to a point on the Western right-of-way of the Southern Pacific Railroad; thence Southeasterly along said Western right of way, 599.8 feet to the South line of the SE1/4 SW1/4 of said Section 21; thence South 09 degrees 35' 33" West along said South line 206.26 feet to the point of beginning.

State of Oregon, County of Klamath
Recorded 12/07/00, at 11:36 a. m.
In Vol. M00 Page 43971
Linda Smith,
County Clerk Fee \$ 41⁰⁰