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This instrument prepared in consultation with counsel in the state in which the Trust Property is located by the attorney described below and after recording return to:

Athy O'Keeffe, Esq.
Cahill Gordon & Reindel LLP
80 Pine Street
New York, NY 10005
(212) 701-3000

Store No.: 00577

2015-013176
Klamath County, Oregon
12/07/2015 12:47:18 PM
Fee: \$162.00

LINE OF CREDIT TRUST DEED

The maximum principal amount to be advanced pursuant to the credit agreement secured by this line of credit trust deed is \$5,220,806,000. The term or maturity date of the credit agreement secured by this line of credit trust deed, exclusive of any option to renew or extend such term or maturity date, is February 1, 2031.

SECOND LIEN DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (Klamath County, Oregon (the "State"))

THIS SECOND LIEN DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING ("**Deed of Trust**"), dated as of September 30, 2015, is made and executed by ABS OR-O LLC a Delaware limited liability company ("**Grantor**"), having its principal offices at c/o Albertson's LLC, 250 Parkcenter Boulevard, Boise, ID 83706, in favor of **FIRST AMERICAN TITLE INSURANCE COMPANY**, a Nebraska corporation having an office at 200 SW Market Street, Suite 250, Portland Oregon 97201, as trustee under this Deed of Trust (together with any successors in such capacities, the "**Trustee**") for the benefit of **WILMINGTON TRUST, NATIONAL ASSOCIATION**, a national banking association, having an office at 50 South Sixth Street, Suite 1290, Minneapolis, MN, 55402, Attn: Albertson's Administration, as Notes Collateral Agent (as defined in the Indenture defined below) for the Secured Parties (as defined in the Security Agreement as hereinafter defined).

RECITALS

A. Pursuant to that certain Indenture dated as of October 23, 2014, among Albertson's Holdings LLC, a Delaware limited liability company (the "**Company**"), Saturn Acquisition Merger Sub, Inc., a Delaware corporation ("**Merger Sub**" or "**Co-Issuer**," which, in connection with the Safeway Acquisition (such term and each other capitalized term used and not defined herein having the meaning given to it in the Indenture), has merged with and into Safeway Inc., a Delaware corporation ("**Safeway**") with Safeway surviving such merger as the

F.
142.00

Co-Issuer; together with the Company, each an “**Issuer**” and collectively, the “**Issuers**”), the Guarantors from time to time party thereto, and Wilmington Trust, National Association, a national banking association, as trustee (in such capacity, together with its successors and assigns in such capacity, the “**Indenture Trustee**”) and as Notes Collateral Agent, the Issuers have issued \$1,145,000,000 aggregate principal amount of 7.750% Senior Secured Notes due 2022 (together with any Additional Securities issued under the Indenture, the “**Securities**”) and the Guarantors have unconditionally guaranteed the Securities.

B. The Issuers, the Guarantors from time to time party thereto, and the Notes Collateral Agent have also entered into the Security Agreement (as defined in the Indenture).

C. Following the date hereof, if not prohibited by the Indenture, the Issuers and the Guarantors may incur Additional Second Lien Debt (as defined in the Security Agreement).

D. The Grantor will receive substantial benefits from the execution, delivery and performance of the Indenture and any Additional Second Lien Debt Documents (as defined in the Security Agreement) and the performance of the obligations in respect of the Securities and any Additional Second Lien Debt thereunder and is, therefore, willing to enter into this Deed of Trust.

E. Pursuant to the Safeway Notes Indenture (as defined in the Security Agreement), the Safeway 2020/2021/2027/2031 Notes (as defined in the Security Agreement) are to be secured by the Safeway Collateral (as defined in the Security Agreement), on an equal and ratable basis with the Securities and any Additional Second Lien Debt Obligations (as defined in the Security Agreement). In addition, the Company has agreed to secure the Safeway 2016/2017/2019 Notes (as defined in the Security Agreement) on a *pari passu* basis with the Securities and any Additional Second Lien Debt Obligations by all of the collateral that secures the Securities and any Additional Second Lien Debt Obligations.

F. This Deed of Trust is made by the Grantor in favor of the Trustee for the benefit of the Notes Collateral Agent for its benefit and the benefit of the Secured Parties (as defined in the Security Agreement) (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, for the benefit of the Remaining Safeway Notes Holders (as defined in the Security Agreement)) to secure the payment and performance of all of the Secured Obligations (as defined in the Security Agreement) (and, to the extent provided in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations (as defined in the Security Agreement)).

GRANTING CLAUSES

To secure the payment and performance in full of all the Secured Obligations (and, to the extent provided in the Granting Clauses hereof and in Article X of the Security Agreement, the Remaining Safeway Notes Obligations solely with respect to the Safeway 2016/2017/2019 Notes), Grantor does hereby convey, mortgage, warrant, grant, assign, transfer pledge and deliver unto Trustee, its successors and assigns, in trust, for the use and benefit of the Notes Collateral Agent with statutory power of sale (subject to applicable law) for its benefit and

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for the benefit of the other Secured Parties (and, to the extent provided for in the Granting Clauses hereof and in Article X of the Security Agreement, for the benefit of the holders of the Safeway 2016/2017/2019 Notes and the Safeway Notes Trustee (as defined in the Security Agreement)), and does hereby grant to the Notes Collateral Agent for its benefit and for the benefit of the other Secured Parties (and, to the extent provided for in the Granting Clauses hereof and in Article X of the Security Agreement, for the benefit of the holders of the Safeway 2016/2017/2019 Notes and the Safeway Notes Trustee) a security interest in and lien upon, all of Grantor's right, title and interest in, to and under the following described property, whether now owned or held or hereafter acquired from time to time:

(A) The land legally described in attached **Exhibit A ("Land")**;

(B) All the buildings, structures, improvements and fixtures of every kind or nature now or hereafter situated on the Land and all machinery, appliances, equipment, furniture and all other personal property of every kind or nature which constitute fixtures with respect to the Land, together with all extensions, additions, improvements, substitutions and replacements of the foregoing ("**Improvements**");

(C) All easements, tenements, rights-of-way, vaults, gores of land, streets, ways, alleys, passages, sewer rights, water courses, water rights and powers and appurtenances in any way belonging, relating or appertaining to any of the Land or Improvements, or which hereafter shall in any way belong, relate or be appurtenant thereto, whether now owned or hereafter acquired ("**Appurtenances**");

(D)(i) All judgments, insurance proceeds, awards of damages and settlements which may result from any damage to all or any portion of the Land, Improvements or Appurtenances or any part thereof or to any rights appurtenant thereto;

(ii) All compensation, awards, damages, claims, rights of action and proceeds of or on account of (a) any damage to or taking of all or any portion of the Land, Improvements or Appurtenances by reason of the taking, pursuant to the power of eminent domain, of all or any portion of the Land, Improvements, Appurtenances or of other property, or (b) the alteration of the grade of any street or highway on or about the Land, Improvements, Appurtenances or any part thereof; and, except as otherwise provided herein or in the Notes Documents (as defined in the Security Agreement), Notes Collateral Agent is hereby authorized to collect and receive said awards and proceeds and to give proper receipts and acquittances therefor and, except as otherwise provided herein or in the Note Documents, to apply the same toward the payment of the indebtedness and other sums secured hereby; and

(iii) All proceeds, products, replacements, additions, substitutions, renewals and accessions of and to the Land, Improvements or Appurtenances;

(E) All rents, issues, profits, income and other benefits now or hereafter arising from or in respect of the Land, Improvements or Appurtenances (the "**Rents**");

(F) Any and all leases, licenses and other occupancy agreements now or hereafter affecting the Land, Improvements or Appurtenances, together with all security therefor and guaranties thereof and all monies payable thereunder, and all books and records owned by Grantor which contain evidence of payments made under the leases and all security given therefor (collectively, the “Leases”);

(G) Any and all after-acquired right, title or interest of Grantor in and to any of the property described in the preceding Granting Clauses; and

(H) The proceeds from the sale, transfer, pledge or other disposition of any or all of the property described in the preceding Granting Clauses.

All of the trust property described in the Granting Clauses is hereinafter referred to as the “Trust Property.”

TO HAVE AND TO HOLD the Trust Property and all parts thereof unto Trustee, its successors and assigns forever, in trust, for the use and benefit of the Notes Collateral Agent, its successors and assigns forever, for its benefit and for the benefit of the other Secured Parties (and, to the extent provided for in the Granting Clauses hereof and in Article X of the Security Agreement, for the benefit of the holders of the Safeway 2016/2017/2019 Notes and the Safeway Notes Trustee) for purposes of securing the payment and performance in full of all the Secured Obligations (and, to the extent provided in the Granting Clauses hereof and in Article X of the Security Agreement, the Remaining Safeway Notes Obligations solely with respect to the Safeway 2016/2017/2019 Notes).

ARTICLE I. COVENANTS OF GRANTOR

Grantor covenants and agrees with Notes Collateral Agent as follows:

SECTION 1.1. Performance under Indenture and Deed of Trust. Grantor shall perform, observe and comply with or cause to be performed, observed and complied with in a complete and timely manner, so as not to cause an Event of Default (as defined herein), all provisions hereof, of the Indenture, and every instrument evidencing or securing the Secured Obligations. The maturity date of the Secured Obligations is February 1, 2031.

SECTION 1.2. General Covenants and Representations. Grantor covenants, represents and warrants that as of the date hereof and at all times thereafter during the term hereof: (a) Grantor owns in fee simple that portion of the Trust Property which is real property, and has good and valid title thereto and the balance of the Trust Property free and clear of all liens, security interests, charges and encumbrances whatsoever, except for “Permitted Liens” as such term is defined in the Indenture that are not prohibited by any Additional Second Lien Debt Document (“Permitted Liens”); and (b) Grantor will maintain and preserve the lien of this Deed of Trust as a lien on the Trust Property, subject only to the Permitted Liens or as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, until the Secured Obligations and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations) have been paid in full

and this Deed of Trust has been released in whole pursuant to Section 4.11 hereof. For purposes of this Deed of Trust, "Material Adverse Effect" shall mean (a) a material adverse change in, or a material adverse effect upon, the operations, business, assets, properties, liabilities, or financial condition of the Issuers and the Guarantors, taken as a whole; (b) a material impairment of the rights and remedies of the Notes Collateral Agent or any Secured Party under the Notes Documents or any Additional Second Lien Debt Documents; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Issuers and the Guarantors, taken as a whole, of the Indenture, the Security Documents or any Additional Second Lien Debt Documents.

SECTION 1.3. Compliance with Laws and Other Restrictions. Grantor covenants and represents that the Land and the Improvements and the use thereof presently comply in all material respects with the requirements of all laws, rules, regulations, ordinances, codes and administrative or judicial precedents or authorities and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any governmental authority, except in such instances in which (a) (i) such requirement is being contested in good faith by appropriate proceedings diligently conducted and with respect to which adequate reserves have been set aside and maintained by the Issuers or the Guarantors in accordance with GAAP; and (ii) such contest effectively suspends enforcement of the contested requirement; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

SECTION 1.4. Taxes and Other Charges. Except for failures that could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, Grantor shall pay promptly when due and payable all taxes, assessments, rates, dues, charges, fees, levies, fines, impositions, liabilities, obligations, liens and encumbrances of every kind and nature whatsoever now or hereafter imposed, levied or assessed upon or against the Trust Property or any part thereof, or in connection with this Deed of Trust (including any mortgage recording taxes) or the Notes Documents or any Additional Second Lien Debt Documents; provided, however, that Grantor may in good faith contest the validity, applicability or amount of any tax, assessment or other charge, in accordance with the terms of the Indenture and each Additional Second Lien Debt Document.

SECTION 1.5. Mechanic's and Other Liens. Except as otherwise may be provided by the Indenture and each Additional Second Lien Debt Document, Grantor shall not permit or suffer any mechanic's, laborer's, materialman's, statutory or other lien or encumbrance (other than any lien for taxes and assessments not yet due or payable) to be created upon or against the Trust Property; provided, however, that Grantor may in good faith, by appropriate proceedings, contest the validity, applicability or amount of any asserted lien, in accordance with the terms of the Indenture and each Additional Second Lien Debt Document.

SECTION 1.6. Insurance and Condemnation.

(a) **Insurance Policies.** Grantor shall obtain and keep in full force and effect the policies of insurance required by the Notes Documents and each Additional Second Lien

Debt Document pursuant to the terms thereof. The following notice is given pursuant to ORS 746.201:

WARNING

Unless Grantor provides Notes Collateral Agent with evidence of the insurance coverage as required herein, Notes Collateral Agent may purchase insurance at Grantor's expense to protect Notes Collateral Agent's interest. This insurance may, but need not, also protect Grantor's interest. If the collateral becomes damaged, the coverage Notes Collateral Agent purchases may not pay any claim Grantor makes or any claim made against Grantor. Grantor may later cancel this coverage by providing evidence that Grantor has obtained property coverage elsewhere.

Grantor is responsible for the cost of any insurance purchased by Notes Collateral Agent. The cost of this insurance may be added to the indebtedness secured hereby. If the cost is added to the indebtedness secured hereby, the interest rate on the indebtedness secured hereby will apply to this added amount. The effective date of coverage may be the date the prior coverage lapsed or the date Grantor failed to provide proof of coverage.

The coverage Notes Collateral Agent purchases may be considerably more expensive than insurance Grantor can obtain on Grantor's own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

(b) **Adjustment of Loss; Application of Proceeds.** Except as otherwise may be provided by the Indenture and each Additional Second Lien Debt Document, Notes Collateral Agent is hereby authorized and empowered, at its option, to adjust or compromise any loss under any insurance policies covering the Trust Property and to collect and receive the proceeds from any such policy or policies. The entire amount of such proceeds, awards or compensation shall be applied in accordance with the provisions of the Notes Documents and each Additional Second Lien Debt Document.

(c) **Condemnation Awards.** Except as otherwise may be provided by the Indenture and each Additional Second Lien Debt Document, Notes Collateral Agent shall be entitled to all compensation, awards, damages, claims, rights of action and proceeds of, or on account of, (i) any damage or taking, pursuant to the power of eminent domain, of the Trust Property or any part thereof, (ii) damage to the Trust Property by reason of the taking, pursuant to the power of eminent domain, of other property, or (iii) the alteration of the grade of any street or highway on or about the Trust Property. Except as may otherwise be provided by the Indenture and each Additional Second Lien Debt Document, Notes Collateral Agent is hereby authorized, at its option, to commence, appear in and prosecute in its own or Grantor's name any action or proceeding relating to any such compensation, awards, damages, claims, rights of action and proceeds and to settle or compromise any claim in connection therewith. Grantor shall pay all out-of-pocket reasonable fees, costs and expenses, including reasonable and documented attorneys' fees, incurred by the Notes Collateral Agent in connection therewith and in seeking and obtaining any award or payment on account thereof. The entire amount of such proceeds,

awards or compensation shall be applied in accordance with the provisions of the Notes Documents and each Additional Second Lien Debt Document.

(d) **Obligation to Repair.** In the event the Grantor is permitted or required to perform any restoration in accordance with the provisions of the Indenture and any Additional Second Lien Debt Documents, the Grantor shall perform such restoration in accordance with the provisions thereof.

SECTION 1.7. **Inspection.** The Grantor shall permit the Notes Collateral Agent, and its agents, representatives and employees to inspect the Trust Property to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and Registered Public Accounting Firm, all at the expense of the Issuers and the Guarantors and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Company; provided, however, that when an Event of Default exists the Notes Collateral Agent (or any of its agents, representatives or employees) may do any of the foregoing at the expense of the Issuers and the Guarantors at any time during normal business hours and without advance notice.

SECTION 1.8. **Intentionally Omitted.**

SECTION 1.9. **Care of the Trust Property.**

(i) Grantor shall preserve and maintain the Trust Property in the condition required by the provisions of the Indenture and each Additional Second Lien Debt Document.

(ii) Grantor represents and warrants that no portion of the Land is located in an area identified by the Federal Emergency Management Agency or any successor thereto as an area having special flood hazards pursuant to the Flood Insurance Acts promulgated by the Federal Emergency Management Agency or any successor thereto or, if any portion of the Land is located within such area, the Grantor has obtained the flood insurance prescribed in the Notes Documents and each Additional Second Lien Debt Document.

SECTION 1.10. **Transfer or Encumbrance of the Trust Property.** Except as permitted by the Indenture and each Additional Second Lien Debt Document, Grantor shall not permit or suffer to occur any sale, assignment, conveyance, transfer, mortgage, lease or encumbrance of the Trust Property, any part thereof, or any interest therein, without the prior written consent of Notes Collateral Agent (given in accordance with the terms of the Indenture and Applicable Additional Second Lien Debt Documents).

SECTION 1.11. **Further Assurances.** At any time and from time to time, upon Notes Collateral Agent's reasonable request, Grantor shall make, execute and deliver, or cause to be made, executed and delivered, to Notes Collateral Agent, and where appropriate shall cause to be recorded, registered or filed, and from time to time thereafter to be re-recorded, re-registered and refiled at such time and in such offices and places as shall be deemed desirable by

Notes Collateral Agent, any and all such further mortgages or deeds of trust, security agreements, financing statements, instruments of further assurance, certificates and other documents as Notes Collateral Agent may reasonably require in order to effectuate or perfect, or to continue and preserve the obligations under, this Deed of Trust.

SECTION 1.12. Assignment of Rents. Grantor absolutely and unconditionally grants, bargains, sells and conveys the Rents to Notes Collateral Agent to provide a source of payment of the Secured Obligations (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations) subject to the license granted to Grantor below. Grantor and Notes Collateral Agent intend that this conveyance be presently and immediately effective without any further action on the part of either party, and, specifically, Notes Collateral Agent shall be entitled, at its option, upon the occurrence and during the continuance of an Event of Default, to all Rents, whether or not Notes Collateral Agent takes possession of the Trust Property. Such assignment and grant shall continue in effect during the continuance of an Event of Default until the Secured Obligations (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations) are paid in full and this Deed of Trust has been released in whole pursuant to Section 4.11 hereof, the execution of this Deed of Trust constituting and evidencing the irrevocable consent of Grantor during the continuance of an Event of Default to the entry by Notes Collateral Agent upon and taking possession of the Trust Property by Notes Collateral Agent pursuant to such grant, whether or not foreclosure proceedings have been instituted. Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, Grantor shall have the right and authority to continue to collect the Rents as they become due and payable in accordance with the provisions of the applicable Lease; provided, however, that no prepayment of Rent shall in any event result, individually or in the aggregate, in a material adverse effect on the value of the Trust Property.

SECTION 1.13. After-Acquired Property. To the extent permitted by, and subject to, applicable law, the lien of this Deed of Trust shall automatically attach, without further act, to all property hereafter acquired by Grantor and located in or on, or attached to, or used or intended to be used in connection with, or with the operation of, the Trust Property or any part thereof.

SECTION 1.14. Leases Affecting Trust Property. Grantor shall comply with and perform in a complete and timely manner in all material respects all of its obligations as landlord under all Leases affecting the Trust Property or any part thereof. The assignment contained in Section 1.12 shall not be deemed to impose upon Notes Collateral Agent any of the obligations or duties of the landlord or Grantor provided in any Lease.

SECTION 1.15. Execution of Leases. Except as permitted by the Indenture and each Additional Second Lien Debt Document, Grantor shall not permit any Leases to be made of the Trust Property, or to be modified, terminated, extended or renewed, without the prior written consent of Notes Collateral Agent.

SECTION 1.16. Security Agreement and Fixture Filing. This Deed of Trust is both a real property deed of trust and a security agreement (as "security agreement" is

defined in the Uniform Commercial Code as enacted and in effect in the State (the "UCC"). The information contained in this Section 1.16 is provided in order that this Deed of Trust shall comply with the requirements of the UCC for a deed of trust to be effective as a financing statement filed as a fixture filing. Capitalized terms not otherwise defined in this Section 1.16 shall have the meaning ascribed to them in the UCC. The Debtor is Grantor, the Secured Party is Notes Collateral Agent, Grantor is the record owner of the Land and the mailing addresses of Grantor/Debtor and Notes Collateral Agent/Secured Party are as set forth in the preamble to this Deed of Trust. The types, or the items, of collateral covered hereby include goods that are or are to become fixtures with respect to the Land and Improvements located thereon. The filing of this Deed of Trust in the real estate records of the county in which the Land is located shall operate from the time of filing as a "fixture filing" within the meaning of ORS 79.102(1)(nn) and under ORS 79.502(3) of the UCC with respect to all portions of the Trust Property that are or are to become fixtures related to the Land and Improvements located thereon.

ARTICLE II. DEFAULTS

SECTION 2.1. Event of Default. The term "Event of Default," wherever used in this Deed of Trust, shall mean the occurrence of an "Event of Default" under and as defined in the Indenture or any Additional Second Lien Debt Documents.

ARTICLE III. REMEDIES

SECTION 3.1. Acceleration of Maturity. If an Event of Default shall have occurred and be continuing, then the entire principal amount of the indebtedness secured hereby with interest accrued thereon in accordance with the provisions of the Indenture, the Securities and the applicable Additional Second Lien Debt Documents, and all other Secured Obligations (or such parts as Notes Collateral Agent may elect) shall, at the option of Notes Collateral Agent, become due and payable without notice or demand, time being of the essence.

SECTION 3.2. Right of Notes Collateral Agent to Enter and Take Possession. If an Event of Default should have occurred and be continuing, subject to the provisions of the Intercreditor Agreements, Grantor, upon demand of Notes Collateral Agent, shall forthwith surrender to Notes Collateral Agent the actual possession of the Trust Property, and if and to the extent permitted by law, Notes Collateral Agent may enter and take possession of all the Trust Property, and may exclude Grantor and its agents and employees wholly therefrom. Upon every such entering upon or taking of possession, Notes Collateral Agent may hold, store, use, operate, manage and control the Trust Property and conduct the business thereof, and Notes Collateral Agent may collect and receive all the income, revenues, rents, issues and profits of the Trust Property, including those past due as well as those accruing thereafter, and, after deducting (i) all reasonable expenses of taking, holding, managing, and operating the Trust Property (including compensation for the services of all persons employed for such purposes); (ii) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements and purchases and acquisitions reasonably necessary; (iii) the cost of such insurance; (iv) such taxes, assessments and other charges prior to the lien of this Deed of Trust as Notes Collateral Agent

may determine to pay; (v) other proper charges upon the Trust Property or any part thereof; and (vi) the reasonable compensation and documented out-of-pocket expenses and disbursements of the attorneys and agents of Notes Collateral Agent, shall apply the remainder of the monies so received by Notes Collateral Agent, in accordance with the provisions of Section 3.6 hereof.

SECTION 3.3. Receiver. If an Event of Default shall have occurred and be continuing, subject to the provisions of the Intercreditor Agreements, upon application to a court of competent jurisdiction, Notes Collateral Agent shall be entitled, without notice and without regard to the adequacy of any security for the indebtedness hereby secured or the solvency of any party bound for its payment, to the appointment of a receiver to take possession of and to operate the Trust Property and to collect the rents, profits, issues, and revenues thereof. Grantor will pay to Notes Collateral Agent upon demand all reasonable and documented out-of-pocket expenses incurred by Notes Collateral Agent, including receiver's fees, attorneys' fees, costs and agents' compensation, incurred pursuant to the provisions contained in this Section 3.3; and all such expenses shall be secured by this Deed of Trust.

SECTION 3.4. Notes Collateral Agent's Power of Enforcement. If an Event of Default shall have occurred and be continuing, Notes Collateral Agent may, subject to the provisions of the Intercreditor Agreements, either with or without entry or taking possession as hereinabove provided or otherwise, proceed by suit or suits at law or in equity or any other appropriate proceeding or remedy (a) to enforce payment of the Secured Obligations (and, to the extent provided in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations); (b) to foreclose this Deed of Trust and to sell, as an entirety or in separate lots or parcels, the Trust Property, as provided by law; and (c) to pursue any other remedy available to it, all as Notes Collateral Agent shall deem most effectual for such purposes.

SECTION 3.5. Power of Sale. If an Event of Default shall have occurred and be continuing, subject to the provisions of the Intercreditor Agreements, and should Notes Collateral Agent elect to foreclose by exercise of the power of sale herein contained, Notes Collateral Agent shall notify Trustee and shall deposit with Trustee this Deed of Trust, any promissory notes representing the Secured Obligations or the Remaining Safeway Notes Obligations, and such receipts and evidence of expenditures made and secured hereby as Trustee may require. Upon receipt of such notice from Notes Collateral Agent, Trustee shall cause to be given such notice of default as then required by law. Trustee shall, without demand on Grantor, after lapse of such time as may then be required by law and after notice of sale having been given as required by law, sell the Trust Property at the time and place of sale fixed by it in such notice of sale, either as a whole, or in separate lots or parcels or items as Trustee shall deem expedient, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States payable at the time of sale. Trustee shall deliver to such purchaser or purchasers thereof its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof.

SECTION 3.6. Application of Proceeds. Subject to the terms of the Intercreditor Agreements, the proceeds received by the Notes Collateral Agent in respect of any sale

of, collection from or other realization upon all or any part of the Trust Property pursuant to the exercise by the Notes Collateral Agent of its remedies shall be applied, together with any other sums then held by the Notes Collateral Agent pursuant to this Deed of Trust, in accordance with and as set forth in Section 8.7 of the Security Agreement, the provisions of which are incorporated herein *mutatis mutandis* except, that each reference therein to (i) "Collateral" shall be deemed a reference to a "Trust Property", (ii) "Trustee" shall be deemed a reference to "Indenture Trustee", (iii) each reference to "security interest" shall be deemed to be a reference to "security interest or lien".

SECTION 3.7. Notes Collateral Agent's Option on Foreclosure. Upon the occurrence and during the continuance of an Event of Default, subject to the provisions of the Intercreditor Agreements, at the option of Notes Collateral Agent, this Deed of Trust may be foreclosed as provided by law or in equity, in which event a reasonable attorneys' fee shall, among other costs and expenses, be allowed and paid out of the proceeds of the sale. In the event Notes Collateral Agent exercises its option to foreclose this Deed of Trust in equity, Notes Collateral Agent may at its option, foreclose this Deed of Trust subject to or prior to the rights of any tenants of the Trust Property, and the failure to make any such tenants parties to any such foreclosure proceeding and to foreclose their rights will not be, nor be asserted to be by Grantor, a defense to any proceedings instituted by Notes Collateral Agent to collect the sums secured hereby, or any deficiency remaining unpaid after the foreclosure sale of the Trust Property.

SECTION 3.8. Purchase by Notes Collateral Agent; Deficiency Judgment. Upon any foreclosure sale, Notes Collateral Agent may bid for and purchase the Trust Property, and upon compliance with the terms of sale, may hold, retain, possess, and dispose of such property at its own absolute right without further accountability. Any such purchase shall permit Notes Collateral Agent to apply to the purchase price any portion of or all sums due to Notes Collateral Agent under the Secured Obligations in lieu of cash, to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon. In the event the sale proceeds from a judicial foreclosure after payment of the expenses are not sufficient to satisfy the Secured Obligations, Notes Collateral Agent shall be entitled to a judgment against Grantor in the amount of such deficiency.

SECTION 3.9. UCC Remedies. With respect to that portion of the Trust Property that is subject to the UCC, Notes Collateral Agent shall have all the rights and remedies of a secured party under the UCC upon the occurrence of an Event of a Default, including, but not limited to, the right to sell the collateral at public or private sale, and the right to be a purchaser at any such sale..

SECTION 3.10. Remedies Cumulative. No right, power or remedy conferred upon or reserved to Trustee or Notes Collateral Agent by the Indenture, any Notes Document, any Additional Second Lien Debt Document or any other instrument evidencing or securing the Secured Obligations (and, to the extent provided in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations) is exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under the Indenture, any Notes Document, any Additional Second Lien Debt Document or

any instrument evidencing or securing the Secured Obligations (and, to the extent provided in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations), or now or hereafter existing at law, in equity or by statute.

ARTICLE IV. MISCELLANEOUS PROVISIONS

SECTION 4.1. **Successors and Assigns Included in Parties.** Whenever Trustee, Grantor or Notes Collateral Agent is named or referred to herein, successors and assigns of such person or entity shall be included, and all covenants and agreements contained in this Deed of Trust shall bind the successors and assigns of Grantor, including any subsequent owner of all or any part of the Trust Property and inure to the benefit of the successors and assigns of Notes Collateral Agent for the benefit of the Secured Parties (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, for the benefit of the Remaining Safeway Note Holders).

SECTION 4.2. **Notices.** Unless otherwise provided herein or in the Indenture, any notice or other communication herein required or permitted to be given shall be given in the manner and become effective as set forth in the Indenture, as to the Grantor, addressed to it at the address of the Company set forth in the Indenture, as to the Notes Collateral Agent, addressed to it at the address set forth in the Indenture, and as to any Additional Second Lien Representative (as defined in the Security Agreement), addressed to such Additional Second Lien Representative at the address set forth in the Additional Second Lien Secured Party Joinder (as defined in the Security Agreement), or in each case at such other address as shall be designated by such party in a written notice to the other parties hereto complying as to delivery with the terms of this Section 4.2; provided that (i) any notice to the Safeway Notes Trustee may be made to its address as set forth in the most recent copy of the Safeway Notes Indenture provided to the Notes Collateral Agent by the Issuers or in a written notice of such address provided to the Notes Collateral Agent by the Safeway Notes Trustee and (ii) notice to any Safeway Notes Trustee shall be deemed sufficient notice to the Remaining Safeway Notes Holders for all purposes hereunder.

SECTION 4.3. **Headings.** The headings of the articles, sections, paragraphs and subdivisions of this Deed of Trust are for convenience only, are not to be considered a part hereof, and shall not limit, expand or otherwise affect any of the terms hereof.

SECTION 4.4. **Invalid Provisions.** In the event that any of the covenants, agreements, terms or provisions contained in this Deed of Trust shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein (or the application of the covenant, agreement, term held to be invalid, illegal or unenforceable, to persons or circumstances other than those in respect of which it is invalid, illegal or unenforceable) shall be in no way affected, prejudiced or disturbed thereby.

SECTION 4.5. **Changes.** No amendment, modification, supplement, termination or waiver of or to any provision hereof, nor consent to any departure by the Grantor therefrom, shall be effective unless the same shall be made in accordance with the terms of the Indenture and each Additional Second Lien Debt Document; provided, however, that the requisite

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written consent of the holders of a majority of the outstanding principal amount of a series of the Remaining Safeway Notes shall be required with respect to any release, waiver, amendment or other modification of this Deed of Trust that would materially and adversely affect the rights of the holders of such series to be secured on a *pari passu* basis with the Securities and any Additional Second Lien Debt Obligations by all of the Trust Property that secures the Securities and any Additional Second Lien Debt Obligations (in the case of the Safeway 2016/2017/2019 Notes). Except as expressly set forth in this Section 4.5, neither the Remaining Safeway Notes Holders nor any Safeway Notes Trustee shall have any rights to approve any release, waiver, amendment, modification, charge, discharge or termination with respect to this Deed of Trust. Any amendment, modification or supplement of or to any provision hereof, any waiver of any provision hereof and any consent to any departure by the Grantor from the terms of any provision hereof shall be effective only in the specific instance and for the specific purpose for which made or given. Except where notice is specifically required by this Deed of Trust or any other document evidencing the Secured Obligations, no notice to or demand on the Grantor in any case shall entitle the Grantor to any other or further notice or demand in similar or other circumstances.

SECTION 4.6. Governing Law. EXCEPT WITH RESPECT TO THE CREATION, PERFECTION, PRIORITY AND ENFORCEMENT OF THE LIEN AND SECURITY INTEREST CREATED HEREUNDER, ALL OF WHICH SHALL BE CONSTRUED, INTERPRETED, ENFORCED AND GOVERNED BY THE LAWS OF THE STATE, THE VALIDITY AND INTERPRETATION OF THIS DEED OF TRUST SHALL BE GOVERNED BY AND IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF THE LAWS OF ANY OTHER STATE (BUT GIVING EFFECT TO FEDERAL LAWS RELATING TO NATIONAL BANKS).

SECTION 4.7. Intentionally Omitted.

SECTION 4.8. Future Advances. This Deed of Trust shall secure all of the Secured Obligations (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations) including, without limitation, future advances whenever hereafter made with respect to or under the Indenture, the other Notes Documents and any Additional Second Lien Debt Document and shall secure not only Secured Obligations (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations) with respect to presently existing indebtedness under the Indenture, the other Notes Documents and any Additional Second Lien Debt Document, but also any and all other indebtedness which may hereafter be owing by the Grantor to the Secured Parties (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Note Holders) under the Indenture, the other Notes Documents and any Additional Second Lien Debt Document, however incurred, whether interest, discount or otherwise, and whether the same shall be deferred, accrued or capitalized, including future advances and re-advances, pursuant to the Indenture, the other Notes Documents and any Additional Second Lien Debt Document, whether such advances are obligatory or to be made at the option of the Secured Parties (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Re-

maining Safeway Note Holders), or otherwise, and any extensions, refinancings, modifications or renewals of all such Secured Obligations (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations) whether or not the Grantor executes any extension agreement or renewal instrument and, in each case, to the same extent as if such future advances were made on the date of the execution of this Deed of Trust.

SECTION 4.9. Maximum Amount of Indebtedness. The maximum aggregate amount of all indebtedness that is, or under any contingency may be secured at the date hereof or at any time hereafter by this Deed of Trust is \$5,220,806,000, plus accrued interest thereon and, to the extent permitted by applicable law, collection costs, sums advanced for the payment of taxes, assessments, maintenance and repair charges, insurance premiums and any other costs incurred to protect the security encumbered hereby or the lien hereof, expenses incurred by the Notes Collateral Agent by reason of any default by the Grantor under the terms hereof, together with interest thereon, all of which amount shall be secured hereby.

SECTION 4.10. Last Dollar. The lien of this Deed of Trust shall remain in effect until the last dollar of the Secured Obligations (and, to the extent provided for in the Granting Clauses hereof and Article X of the Security Agreement, the Remaining Safeway Notes Obligations) is paid in full and this Deed of Trust has been released in whole pursuant to Section 4.11 hereof.

SECTION 4.11. Release; Reconveyance by Trustee.

(a) This Deed of Trust, the security and lien in favor of the Notes Collateral Agent (for the benefit of itself and the other Secured Parties (and, to the extent applicable pursuant to the Granting Clauses hereto and Article X of the Security Agreement, any Remaining Safeway Notes Holder)) and all other security interests granted hereby shall terminate with respect to all Secured Obligations and all Remaining Safeway Notes Obligations when (a) all the Secured Obligations (other than contingent obligations not yet due) have been paid in full in cash (and without regard to whether any Remaining Safeway Notes Obligations are then outstanding); provided, however, that in connection with the termination of this Deed of Trust, the Notes Collateral Agent may require such indemnities as it shall reasonably deem necessary or appropriate to protect the Secured Parties against (x) loss on account of credits previously applied to the Secured Obligations that may subsequently be reversed or revoked, and (y) any Secured Obligations that may thereafter arise under Section 7.07 of the Indenture or pursuant to any corresponding provision in any applicable Additional Second Lien Debt Documents; provided, further, that, for the avoidance of doubt, each Holder of the Remaining Safeway Notes and the Safeway Notes Trustee, by accepting the benefits of this Deed of Trust and the other Security Documents, agrees that the Remaining Safeway Notes Obligations shall no longer be secured hereby in the event the Secured Obligations are no longer required to be secured hereby as a result of the release of the Trust Property by the Notes Collateral Agent as permitted hereunder and under the Indenture and any applicable Additional Second Lien Debt Documents.

(b) The (a) Grantor and (b) the security interests in and liens on the Trust Property hereunder securing the Notes Obligations, in each case shall be released pursuant to the

terms and to the extent set forth in the Indenture and the Intercreditor Agreements. The (a) Grantor and (b) the security interest in and liens on the Trust Property securing the Additional Second Lien Debt Obligations shall, in each case be released pursuant to the terms and to the extent set forth in the applicable Additional Second Lien Debt Documents and the Intercreditor Agreements. The security interests in and liens on any Trust Property securing any Remaining Safeway Notes Obligations hereunder shall be released at the time and to the extent the security interests in and liens on such Trust Property securing the Notes Obligations are released pursuant to the terms and to the extent set forth in the Indenture and the Intercreditor Agreements; provided that if the security interest and liens securing the Notes Obligations is released in connection with the payment in full or discharge or defeasance or covenant defeasance of the Notes Obligations pursuant to the Indenture, and any Additional Second Lien Debt Obligations remain secured hereunder following such release with respect to the Notes Obligations, the security interests in and liens on any Trust Property or securing any Remaining Safeway Notes Obligations hereunder shall not be released.

(c) Upon termination hereof or any release of Trust Property in accordance with the provisions of this Deed of Trust, the Notes Collateral Agent shall, upon the request and at the sole cost and expense of the Grantor, assign, transfer and deliver to the Grantor, against receipt and without recourse to or warranty by the Notes Collateral Agent, such portion of the Trust Property to be released as may be in possession of the Notes Collateral Agent and as shall not have been sold or otherwise applied pursuant to the terms hereof, and, with respect to any other Trust Property to be released, proper documents and instruments (including UCC-3 termination statements or releases) acknowledging the termination hereof or the release of such Trust Property, as the case may be.

(d) At any time that the Grantor desires that the Notes Collateral Agent take any action described in clause (c) of this Section 4.11, the Grantor shall, upon request of the Notes Collateral Agent, deliver to the Notes Collateral Agent an Officers' Certificate and Opinion of Counsel described in Section 11.02(c) of the Indenture each stating that the release of the respective Trust Property is permitted pursuant to this Section 4.11 and that all conditions precedent thereto have been satisfied. The Notes Collateral Agent shall have no liability whatsoever to any other Secured Party (or any Remaining Safeway Notes Holder) as the result of any release of the Trust Property by it as permitted (or which the Notes Collateral Agent in good faith believes to be permitted) by this Section 4.11.

(e) Upon written request of Notes Collateral Agent stating that all or a portion of the Trust Property is to be released from the lien of this Deed of Trust, and upon surrender of this Deed of Trust and any promissory notes evidencing the Secured Obligations and the Remaining Safeway Notes Obligations to Trustee, and upon payment by Grantor of Trustee's fees, Trustee shall reconvey to Grantor, or the person or persons legally entitled thereto, without warranty, all or such lesser portion of the Trust Property identified in such request. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in any reconveyance may be described as "the person or persons legally entitled thereto." Grantor shall pay for the cost of recording any reconveyance or partial reconveyance(s) of this Deed of Trust, plus a reconveyance fee for each such reconveyance or partial reconveyance as authorized by applicable law.

SECTION 4.12. Notes Collateral Agent May Perform; Notes Collateral Agent Appointed Attorney in Fact. If the Grantor shall fail to perform any covenants contained in this Deed of Trust after giving effect to applicable notice and cure periods (including, without limitation, the Grantor's covenants to (i) pay the premiums in respect of all required insurance policies, (ii) pay charges, (iii) make repairs, (iv) discharge Liens or (v) pay or perform any obligations of the Grantor under any Trust Property) or if any representation or warranty on the part of the Grantor contained herein shall be breached, subject to the terms of the Intercreditor Agreements, the Notes Collateral Agent may (but shall not be obligated to), during the continuance of such breach, do the same or cause it to be done or remedy any such breach, and may expend funds for such purpose; provided, however, that the Notes Collateral Agent shall in no event be bound to inquire into the validity of any tax, lien, imposition or other obligation which the Grantor fails to pay or perform as and when required hereby. Any and all amounts so expended by the Notes Collateral Agent shall be paid by the Grantor in accordance with the provisions of Section 7.07 of the Indenture and the corresponding provisions of any applicable Additional Second Lien Debt Documents and repayment shall be secured by this Deed of Trust. Neither the provisions of this Section 4.12 nor any action taken by the Notes Collateral Agent pursuant to the provisions of this Section 4.12 shall prevent any such failure to observe any covenant contained in this Deed of Trust nor any breach of warranty from constituting an Event of Default. The Grantor hereby appoints the Notes Collateral Agent its attorney-in-fact, with full power and authority in the place and stead of the Grantor and in the name of the Grantor, or otherwise, from time to time after the occurrence and during the continuance of an Event of Default in the Notes Collateral Agent's discretion to take any action and to execute any instrument consistent with the terms of the Indenture, this Deed of Trust and the other Security Documents which the Notes Collateral Agent may deem necessary to accomplish the purposes hereof (but the Notes Collateral Agent shall not be obligated to and shall have no liability to the Grantor or any third party for failure to so do or take action). The foregoing grant of authority is a power of attorney coupled with an interest and such appointment shall be irrevocable for the term hereof. The Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof.

SECTION 4.13. Indenture. In the event of any conflict between the terms of this Deed of Trust and the terms of the Indenture, the terms of the Indenture shall control.

SECTION 4.14. Intercreditor Agreements. Notwithstanding anything to the contrary herein, this Deed of Trust, each other Notes Document and any Additional Second Lien Debt Documents are subject to the terms and conditions set forth in the Intercreditor Agreements in all respects and, in the event of any conflict between the terms of the Intercreditor Agreements and this Deed of Trust, the terms of the Intercreditor Agreements shall govern. Notwithstanding anything herein to the contrary, (i) the priority of the Lien and security interest in the CF Debt Priority Collateral granted to the Notes Collateral Agent for the benefit of the Secured Parties (and, to the extent provided in the Granting Clauses hereto and Article X of the Security Agreement, the Remaining Safeway Notes Holders) pursuant to any Notes Document are expressly subject and subordinate to the Liens and security interest in the CF Debt Priority Collateral granted to the Term Loan Collateral Agent pursuant to the Term Loan Facility, (ii) the priority of the Lien and security interest in the ABL Priority Collateral granted to the Notes Col-

lateral Agent for the benefit of the Secured Parties (and, to the extent provided in the Granting Clauses hereto and Article X of the Security Agreement, the Remaining Safeway Notes Holders) pursuant to any Notes Document are expressly subject and subordinate to the Liens and security interest in the ABL Priority Collateral granted to the ABL Collateral Agent pursuant to the ABL Facility and (iii) the exercise of any right or remedy in respect of the Trust Property by the Notes Collateral Agent hereunder or under any other Notes Document is subject to the provisions of the Intercreditor Agreements. The delivery of any Trust Property that constitutes CF Debt Priority Collateral or ABL Priority Collateral to the collateral agent under and pursuant to any Term Document or ABL Document, as applicable, shall satisfy any delivery requirement hereunder or under any other Notes Document to the extent that such delivery is consistent with the terms of the Intercreditor Agreements and the Notes Collateral Agent shall have no obligation to monitor compliance by Grantor with such delivery requirements.

SECTION 4.15. The Grantor acknowledges and agrees that, in taking any action hereunder, the Notes Collateral Agent shall enjoy the same rights, protections, immunities and indemnities granted to it under the Security Documents and Indenture

SECTION 4.16. **Statutory Warning.** UNDER OREGON LAW, MOST AGREEMENTS, PROMISES, AND COMMITMENTS MADE BY A LENDER CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S PRINCIPAL RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION, AND BE SIGNED BY THE LENDER INSTITUTION TO BE ENFORCEABLE.

ARTICLE V. INTENTIONALLY OMITTED

ARTICLE VI. THE TRUSTEE

SECTION 6.1. **Acceptance by Trustee.** The Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

SECTION 6.2. **Compensation.** The Trustee waives any statutory fee and shall accept reasonable compensation from the Notes Collateral Agent in lieu thereof for any services rendered by it in accordance with the terms hereof.

SECTION 6.3. **Action in Accordance With Instructions.** Upon receipt by the Trustee of lawful instructions from the Notes Collateral Agent at any time or from time to time, the Trustee shall (a) give any notice or direction or exercise any right, remedy or power hereunder or in respect of any part or all of the Trust Property as shall be specified in such instructions and (b) approve as satisfactory all matters required by the terms hereof to be satisfactory to the Trustee or to the Notes Collateral Agent. The Trustee may, but need not, take any of such actions in the absence of such instructions. In addition, at any time or from time to time,

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upon request of the Notes Collateral Agent, and without affecting the liability of any person for payment of the Secured Obligations, the Trustee may, upon such request, reconvey all or any part of the Trust Property, consent to the making of any map or plat thereof, join in granting any easement thereon, or join in any extension agreement or any agreement subordinating the lien and estate hereof.

SECTION 6.4. Resignation. The Trustee may resign at any time upon giving not less than 60 days' prior notice to the Notes Collateral Agent but shall continue to act as trustee until its successor shall have been qualified and appointed pursuant to Section 6.05.

SECTION 6.5. Successor Trustee. For any reason, at any time, the Notes Collateral Agent shall have the irrevocable power, with or without cause, without notice of any kind and without applying to any court, to select and appoint a successor trustee. Each such appointment and substitution shall be made by notice to the Grantor, the Trustee and successor trustee and by recording notice of such in each office in which this Deed of Trust is recorded. Such notice shall be executed and acknowledged by the Notes Collateral Agent and shall contain reference to this Deed of Trust and when so recorded shall be conclusive proof of proper appointment of the successor trustee. Such successor shall not be required to give bond for the faithful performance of its duties unless required by the Notes Collateral Agent.

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EXHIBIT A

Legal Description

Real property in the City of Klamath Falls, County of Klamath, State of Oregon, described as follows:

PARCEL 1:

PARCEL 1 OF LAND PARTITION 15-99, FILED NOVEMBER 9, 1999 IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON, BEING PARCEL 2 OF "LAND PARTITION 24-98" SITUATED IN LOTS 1 THRU 8 OF BLOCK 1, AND LOTS 1, 2, 3, 8 AND 9 OF BLOCK 2 OF "BAILEY TRACTS NO. 2" BEING IN THE NE 1/4 SE 1/4 OF SECTION 2, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON, LESS AND EXCEPT ANY PORTION DEEDED TO THE STATE OF OREGON, BY AND THROUGH ITS DEPARTMENT OF TRANSPORTATION BY DEED RECORDED JULY 29, 2013 AS 2013-008555, RECORDS OF KLAMATH COUNTY, OREGON.

PARCEL 2:

PARCEL 3 OF LAND PARTITION 24-98, FILED DECEMBER 14, 1998 IN THE OFFICE OF THE COUNTY CLERK OF KLAMATH COUNTY, OREGON, SITUATED IN LOTS 1 THROUGH 8 OF BLOCK 1 AND LOTS 1, 2, 3, 8 AND 9 OF BLOCK 2 OF "BAILEY TRACTS NO. 2" AND THE NE 1/4 SE 1/4 OF SECTION 2, TOWNSHIP 39 SOUTH, RANGE 9 EAST OF THE WILLAMETTE MERIDIAN, KLAMATH COUNTY, OREGON.

PARCEL 3:

AN EASEMENT FOR A FREE-STANDING LIGHT POLE AND A FREE STANDING MONUMENT OR PYLON SIGN TOGETHER WITH VISIBILITY EASEMENT AS DEFINED THEREIN, INCLUDING THE TERMS, PROVISIONS AND RESTRICTIONS SET FORTH IN VOLUME M93, PAGE 24620, OFFICIAL RECORDS, KLAMATH COUNTY, OREGON.

FOR INFORMATION ONLY: Commonly known as 5500 South 6th Street, Klamath Falls, OR.