



RECORDING REQUESTED BY:

WHEN RECORDED, MAIL TO:  
Freedom Northwest Credit Union  
303 Main Street  
P.O. Box 68  
Kamiah, ID 83536

(Space Above This Line For Recording Data)

**Commercial Deed of Trust**  
(including assignment of leases and rents)  
**LINE OF CREDIT TRUST DEED**  
(Line of Credit – This Deed of Trust Secures Future Advances)

This Deed of Trust is made on 9/5/2023.

The trustor is JEFFREY R. BUSH AND DYLAN JAMES BUSH, WITH RIGHT OF SURVIVORSHIP ("Trustor"),

whose mailing address is 6750 S 6TH ST, KLAMATH FALLS, OR 97603

The Trustee is AMERITITLE ("Trustee").

The beneficiary is Freedom Northwest Credit Union,  
organized and existing under the laws of Idaho ("Lender").

This Deed of Trust ("Security Instrument") is given in consideration of the principal sum of ONE HUNDRED THOUSAND DOLLARS AND NO CENTS

Dollars (U.S. \$ \$100,000.00), advanced or to be advanced by Lender to Trustor, as may be evidenced by a promissory note or notes or any other evidence of debt of any kind of even, subsequent or prior date, including future advances, and including any line of credit agreement under which Lender makes future advances or re-advances. Debt secured by this Security Instrument may also be the result of the guarantee of Trustor given to support an obligation owed to Lender by another person or entity. In addition, this Security Instrument also secures all other indebtedness, regardless of amount, of every and any kind now or hereafter owing from Trustor no matter how created or arising, and whether contingent, secondary or primary, together with interest and charges as provided in the evidence of or which might arise from such indebtedness, and secures the agreements and covenants of this Security Instrument, any promissory notes or any other mortgage, deed of trust, trust indenture, construction loan agreement, assignment of leases and rents, loan agreement, security agreement, and any other agreement of any kind, whether written or oral, which presently exists or arises hereafter between Trustor and Lender, all of which is referred to as "Indebtedness" in this Security Instrument. The Indebtedness shall be paid in full not later than 9/5/2033

("Date of Maturity"). For this purpose, Trustor irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in KLAMATH County, Oregon:

which has the address of 6750 S 6TH ST  
Oregon 97603 ("Property Address").  
[Zip Code]

[Street]

KLAMATH FALLS

[City]

Together with all improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property, all hereditaments, easements, rents and profits, privileges, and equipment or other personal goods of any description used in connection with the Property and all rights to make divisions of the land which is part of the Property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

Trustor covenants that Trustor is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property, and if this Security Instrument is on a leasehold, that the ground lease is in full force and effect without modification except as now disclosed to Lender and is not in default on the part of either lessor or lessee, and that the Property is unencumbered except for encumbrances of record. Trustor warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

Trustor and Lender covenant and agree as follows:

**1. Promise to Pay.** Trustor promises to pay the Indebtedness, together with any interest, prepayment, fees, and late charges associated with any Indebtedness and to adhere to the terms and conditions related to any indebtedness.

**2. Application of Payments.** Unless a specific order is required by law, Lender may apply any payments made by Trustor in whatever order Lender chooses.

**3. Additional Collateral.**

**(A) Personal Property and Fixtures.** The Indebtedness shall be secured by and Trustor grants Lender a security interest in any personal property or fixtures which are presently or hereafter situated, located, or affixed on or used in connection with the Property.

**(B) Deposits.** The Indebtedness shall be secured by and Trustor grants Lender a security interest in any of Trustor's funds on deposit with Lender.

**(C) Leases and Rents.** The Indebtedness shall be secured by and Trustor grants Lender a security interest in and assigns all of the leases, rents, issues and profits under any lease related to the Property, and any extensions or renewals of such leases or subleases, whether now existing or hereafter coming into existence. This assignment of leases and rents shall run with the land and be valid against the Trustor or against any other person or entity claiming an interest through the Trustor, from the time this Security Instrument is recorded. Trustor promises to perform any of Trustor's obligations as a landlord under any lease related to the Property. Trustor will not terminate, modify or amend the terms of any lease without the prior written consent of Lender. At Lender's request, Trustor will provide Lender with copies of any lease related to the Property, whether now existing or hereafter coming into existence. If any action to enforce this Security Instrument, including foreclosure, shall occur, the assignment of leases and rents shall continue to be operative. This assignment of leases and rents shall also be operative during any period of receivership created under this Security Instrument, and during any period of redemption related to an action to enforce this Security Instrument. This assignment is provided to Lender solely as collateral security and shall not be construed to obligate Lender to perform any of the terms, agreements, covenants, or undertakings of the Trustor contained in any assigned lease, provided, that Lender at its exclusive and sole option, may do so. If Lender takes possession of the Property by any means, including the exercise of a remedy related to Trustor's default, Lender may then collect the rents and income from the Property, and may rent or lease the Property or any portion of the Property under terms that Lender may, in its sole and exclusive judgment, deem appropriate, and apply all of the proceeds of such revenue to the preservation of the Property, or the payment of taxes, or the payment of insurance premiums protecting the Property, or the payment of the Indebtedness. If Lender exercises any of its rights under this provision,

Trustor waives any otherwise applicable notice requirement to the extent such waiver is not prohibited by law.

**(D) Awards and Judgments.** The Indebtedness shall be secured by and Trustor grants Lender a security interest and assigns to the Lender any and all judgments, decrees, injury awards, damage awards, eminent domain awards, tax refunds, or condemnation awards related to the Property and grants Lender the authority, at Lender's sole exclusive option, to apply any such revenue proceeds to the payment of the Indebtedness in any manner deemed appropriate by Lender.

**(E) Ground Lease.** The Indebtedness shall be secured by and Trustor grants Lender a security interest in and assigns to Lender any of Trustor's rights in any ground lease which might exist in relation to the Property. Lender shall have no responsibility or liability for any promises of Trustor set forth in any such ground lease.

#### **4. Protection of the Property.**

**(A) Waste.** The Trustor shall not commit any act or commission of waste, whether affirmative or passive, in relation to the Property. The Trustor will preserve and maintain the Property or any part of the Property in good repair and condition and will make any and all needed and proper repairs to the Property, and otherwise promises that the value of the Property shall not in any way be impaired. The failure to pay any taxes or insurance when due shall constitute a commission of waste on the Property. If any commission of waste on the Property occurs, the Lender, at its sole and exclusive option, shall be entitled to the appointment of a receiver under applicable law.

**(B) Hazardous Substances.** Trustor certifies to Lender that as to any real property that has been owned or occupied by the Trustor in the past, present or future, that such real estate has never been nor will in the future be allowed in any way or manner to be exposed to or contain environmentally harmful or hazardous substances as the same may be defined or regulated by any federal or state law or regulation which impacts such substances, other than has been now disclosed in writing to the Lender. In the event any party makes an assertion to the contrary, Trustor will immediately notify Lender in writing of such assertion. Trustor indemnifies and holds Lender and any of Lender's directors, officers, employees, agents, or assigns harmless from any and all liability, cost or expense of any type or nature, including reasonable attorney fees, which might be incurred directly or indirectly as a result of Trustor's involvement with environmentally harmful or hazardous substances as the same may be defined or regulated under any state or federal law or regulation.

**(C) Right of Inspection.** Lender may, as it solely deems appropriate, have the right to access and inspect the Property, any part of the Property, or related books, financial records, or documents, at any reasonable time. If the Lender determines that the Property or any part of the Property requires repair or maintenance which Trustor has failed to provide, Lender may, after providing reasonable notice to Trustor, enter upon the Property to perform such repair or maintenance, and the cost of such Lender action shall be added to the Indebtedness subject to the highest rate permitted by law, and will be payable by Trustor on demand.

**(D) Charges Against the Property.** Trustor shall pay when due all liens, encumbrances, assessments, taxes, and governmental charges related to the Property whether assessed against the Trustor or the Property. In this regard, the Trustor will not allow any act to be done which would impair the value of the lien of this Security Instrument, provided, that the Trustor is not required to pay any tax, assessment, or governmental charge as long as the Trustor in good faith is disputing the validity thereof and provides satisfactory manner for payment to the Lender if the Trustor fails to prevail in any such dispute.

**(E) Property Insurance.** Trustor will keep the Property insured against such risks, with such carriers, and in such form as may be required by Lender in its sole and exclusive discretion, with Lender named as loss payee, or, if requested by Lender, mortgagee. Any insurer of the Property is directed to make any payment of loss directly to the Lender with the proceeds of such payment to be applied, at Lender's sole and exclusive option, to repair or replacement of the damage or, alternatively, to be applied to the indebtedness, with any surplus to be paid by Lender to Trustor.

**(F) Compliance with Statutes and Regulations.** Trustor promises to comply with all existing and future statutes, regulations, ordinances and/or rules, of any local, state, or federal governmental authority which might relate in any way to the Property, including the use or occupancy of the Property.

**(G) Preservation of Property.** Trustor shall not remove any part of the Property from its present location, other than in relation to maintenance or replacement in the ordinary course of business. Trustor shall not sell or otherwise dispose of the Property or any of Trustor's interest in the Property without the prior written consent of Lender.

**(H) Further Documentation.** Trustor will fully cooperate with Lender in any manner and in all respects in relation to any further documentation which Lender in its sole and exclusive discretion may deem appropriate or necessary to complete, effectuate, or perfect Lender's interest in the Property. If Trustor fails or refuses to so cooperate, Lender, through any of its officers, employees, or agents is hereby appointed as the Trustor's true and lawful attorney-in-fact to perform any such obligation of Trustor, and any costs associated with such Lender action may be added to the indebtedness subject to the highest interest rate permitted by law and shall be paid by Trustor on demand.

**(I) Escrow.** At Lender's request, Trustor will pay a pro rata portion of any taxes, assessments, property insurance premiums, and other charges related to the Property, as determined by Lender, so that Lender will have a fund on hand to pay such taxes, assessments, insurance premiums and other charges thirty days before any due date thereof. In the event such fund is insufficient to pay such taxes, assessments, insurance premiums and other charges related to the Property, Trustor, upon demand by Lender, shall pay Lender any shortfall.

**(J) Lender Action.** Lender may, at its sole and exclusive option, without demand or notice to Trustor, take whatever action it deems appropriate and necessary to protect its interest in the Property, including, but not limited to, the payment of taxes, assessments, insurance premiums, or liens which Trustor fails to pay. Any sum so advanced may be added to the indebtedness, and Lender shall be entitled to add interest to such sum at the highest rate permitted by law and shall be paid by Trustor on demand.

**5. Cross Collateralization.** Trustor acknowledges that it is the express intent of Trustor and Lender that all obligations of Trustor to Lender shall be cross collateralized, meaning, by way of example, that this Security Instrument secures any and all obligations of Trustor to Lender however arising and whenever incurred.

**6. Future Information.** Trustor will provide Lender with financial or any other information related to Trustor's affairs or the Property, as may, from time to time, be reasonably be requested by Lender.

**7. Estoppel Certificate.** Trustor will supply Lender with an acknowledged estoppel certificate reflecting the indebtedness and any and all rights of setoff, counterclaims or defenses which exist against the indebtedness, at Lender's request.

**8. Construction Loan.** If this Security Instrument is given in relation to a construction loan to Trustor, Trustor promises to comply with the provisions of any construction loan agreement. If such construction loan agreement exists, it is incorporated by reference into this Security Instrument.

Any disbursements of construction loan proceeds by Lender to Trustor become a part of the Indebtedness under this Security Instrument and shall bear interest at the interest rate provided for in the evidence of Indebtedness related to such disbursement. Any default under the terms of any construction loan agreement associated with this Security Instrument constitutes a default of this Security Instrument and Lender may exercise any right or remedy provided in this Security Instrument related to default, or as may otherwise be provided by law.

**9. Ground Lease.** If any ground lease exists related to the Property, Trustor promises to comply with all provisions of such ground lease and will provide Lender with any notice of a default on the part of the Lessor. If a ground lease exists, and an option to renew or extend occurs during the time any Indebtedness secured by this Security Instrument is owed, Trustor agrees to exercise such option or extension and to provide Lender with evidence thereof. Trustor shall not amend or modify any ground lease related to the Property, or cancel, or terminate its interest in such ground lease without the prior written consent of Lender. Trustor will provide Lender with copies of any insurance policies related to any ground lease associated with the Property at Lender's request.

**10. Default.**

**(A) Events of Default.** The following events shall constitute a default of this Security Instrument:

- (1) Trustor's failure to pay principal, interest or other charges included within the scope of Indebtedness when due;
- (2) Trustor's failure to keep any promise made in this Security Instrument or in any other agreement with Lender, whether oral or written, out of which any Indebtedness arises;
- (3) A filing by or against the Trustor or any guarantor of any bankruptcy, receivership, or insolvency proceeding;
- (4) The filing of any form of tax lien, judgment, garnishment, or other charge against Trustor or any guarantor or any property of any kind owned by Trustor or any guarantor;
- (5) Any assignment made by the Trustor for the benefit of its creditors;
- (6) The death or insolvency of any guarantor of any of the Indebtedness;
- (7) The death of any partner if the Trustor is a partnership or the death of the Trustor if the Trustor is a natural person;
- (8) The merger, consolidation, dissolution, cessation or conveyance of a portion of the ownership of the Trustor or of any guarantor of any of the Indebtedness if the Trustor or any guarantor is a corporation;
- (9) Any sale or transfer by the Trustor of any interest whatsoever in the Property, whether by assignment, deed, land contract, sales contract, contract of sale, or any other form of conveyance;
- (10) The failure to pay any form of loan or other monetary obligation to Lender or any other person or entity in an as agreed manner pursuant to underlying contractual terms;
- (11) Lender, at its sole and exclusive option, subjectively deems itself insecure at any time for any reason whatsoever.

**(B) Acceleration.** If Trustor commits any act of default as set forth under the terms of this Security Instrument, Lender, at Lender's sole and exclusive option, may declare all of the Indebtedness secured by this Security Instrument to be immediately due and payable without further demand, subject to the requirements of any applicable law.

**(C) Exercising Power of Sale.** If Lender demands payment in full of the Indebtedness due to Trustor's default and is not then immediately paid, then if permitted by law, Lender may elect, and is authorized and empowered by Trustor to sell or cause the Property to be sold at public auction.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold



and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall give notice of sale in the manner prescribed by applicable law to Trustor and to other persons prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Trustor, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order:

- (1) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees;
- (2) to all sums secured by this Security Instrument; and
- (3) any excess to the person or persons legally entitled to it.

The commencement of proceedings to foreclose this Security Instrument in any manner authorized by law shall be deemed as exercise of the options stated in this provision.

IN THE EVENT OF THE SALE OF THE PROPERTY UNDER THE POWER OF SALE PROVISIONS DESCRIBED ABOVE, TRUSTOR HEREBY WAIVES ANY RIGHT TO ANY NOTICE OTHER THAN AS PROVIDED SPECIFICALLY BY STATUTE AS UNWAIVABLE OR TO ANY JUDICIAL HEARING PRIOR TO SUCH SALE OR EXERCISE OF RIGHTS.

**(D) Foreclosure.** If permitted by law, Lender may, at its sole and exclusive option, foreclose this Security Instrument in any manner provided for by law for the foreclosures of mortgages on real property.

**(E) Attorneys' Fees.** Trustor shall be liable for all costs and expenses incurred by Lender in pursuing any remedy permitted under this Security Instrument, including, but not limited to, attorneys' fees and costs of documentary evidence. As used in this Security Instrument and in the instruments evidencing the indebtedness, attorneys' fees shall include those awarded by any appellate court.

**(F) Cumulative Remedies.** Any remedy or right Lender has under this Security Instrument shall be cumulative and shall not be exclusive of one or the other or of any other remedy provided for by law, and all rights and remedies may be exercised by Lender either successively or concurrently.

**(G) Waiver of Statute of Limitations.** Trustor expressly waives the right to assert any statute of limitations which might otherwise affect Lender's right to enforce the lien it has upon the Property under this Security Instrument.

**(H) Waiver of Homestead and Exemption Laws.** Trustor explicitly waives and releases any of its rights that it might otherwise have under any homestead or exemption law related to the Property.

**(I) Notices.** Any notices required to be provided to Trustor shall be deemed given if mailed via first class mail to Trustor's address as shown in this Security Instrument.

**(J) Cross Default.** Trustor acknowledges that it is the express intent of Trustor and Lender that any default under the provisions of this Security Instrument shall constitute a default of any other agreement which may now exist or hereafter come into existence between Trustor and Lender, and, that any default under any such other agreement shall constitute a default of this Security Instrument.

**11. Conflicts.** Trustor certifies and warrants that no promise, provision or covenant made by Trustor in this Security Instrument, or in any other document related to this Security Instrument, causes any conflict with the terms of any document or agreement Trustor may have with any other person or entity.

**12. Forbearance.** Lender does not lose any of its rights under this Security Instrument if Lender delays enforcement. No forbearance or extension of time of the payment of any Indebtedness shall operate to discharge, waive, release, change, or modify the liability and obligations of Trustor or Trustor's obligation to continue performance under the terms of this Security Instrument.

**13. Lender Assignment.** Lender may assign any of its rights or interest in this Security Instrument at its sole and exclusive option. The term "Lender," as used in this Security Instrument, shall include any successor or assign of Lender.

**14. Releases.** Lender may, at its sole and exclusive option, reduce any of the Indebtedness secured by this Security Instrument, release any person or entity liable to repay the Indebtedness, or release any interest Lender has in the Property. Any such action by Lender shall have no effect on the Trustor's remaining obligations under this Security Instrument or under any other agreement Trustor has with Lender.

**15. Reconveyance.** Upon payment of all sums secured by this Security Instrument and if applicable, termination of the ability of Trustor and any third party whose Indebtedness is secured by this Security Instrument to obtain further advances under any line of credit or other agreement under which future advances or re-advances secured by this Security Instrument may be made, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all documents evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under applicable law.

**16. Substitute Trustee.** Lender may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

**17. Protective Advances.** This Security Instrument secures any advances Lender, at its discretion, may make under Section 4(J) of this Security Instrument to protect Lender's interest in the Property and rights under this Security Instrument.

**18. Required Evidence of Property Insurance.** In the following notice, the words "you" and "your" refer to the Trustor, and the words "we," "us," and "our" refer to the Lender.

#### **WARNING**

Unless you provide us with evidence of the insurance coverage as required by our contract or loan agreement, we may purchase insurance at your expense to protect our interest. This insurance may, but need not, also protect your interest. If the collateral becomes damaged, the coverage we purchase may not pay any claim you make or any claim made against you. You may later cancel this coverage by providing evidence that you have obtained property coverage elsewhere.

You are responsible for the cost of any insurance purchased by us. The cost of this insurance may be added to your contract or loan balance. If the cost is added to your contract or loan balance, the interest rate on the underlying contract or loan will apply to this added amount. The effective date of coverage may be the date your prior coverage lapsed or the date you failed to provide proof of coverage.

The coverage we purchase may be considerably more expensive than insurance you can obtain on your own and may not satisfy any need for property damage coverage or any mandatory liability insurance requirements imposed by applicable law.

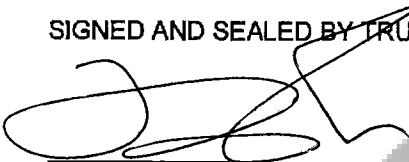
**19. Headings.** The headings preceding any text or verbiage in this Security Instrument are for general convenience in identifying topics, but have no limiting impact whatsoever on any text or verbiage which follows any particular heading.

**20. Governing Law.** Trustor understands and agrees that this Security Instrument will be governed by the laws of the State of Oregon except to the extent that federal law controls. If any provision of this Security Instrument shall be prohibited by governing law, such prohibition shall apply only to the affected provision and all other provisions of this Security Instrument shall remain in full force and effect.

☐ **21. Future Advances and Readvances.** If the ☐ preceding this paragraph is marked (e.g. ☒), then Lender is contractually obligated to make advances and readvances to Trustor consistent with the terms of a line of credit agreement secured by this Security Instrument up to a maximum aggregate amount of \$ \_\_\_\_\_.

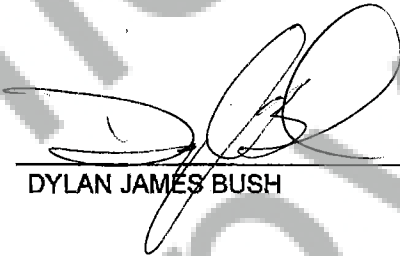
By signing this Security Instrument, Trustor(s) acknowledges that the entire Security Instrument has been read and understood by Trustor, including all text and verbiage on Page 1 through 8.

SIGNED AND SEALED BY TRUSTOR(S)



JEFFREY R. BUSH

-Trustor



DYLAN JAMES BUSH

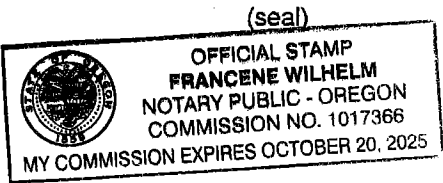
-Trustor

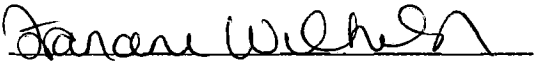
\_\_\_\_\_  
-Trustor

\_\_\_\_\_  
-Trustor

STATE OF OREGON )  
COUNTY OF Wasco ) ss  
 )

This instrument was acknowledged before me on September 5, 2023, by  
Dylan James Bush of



  
Notary Public  
My commission expires: 10/20/2025

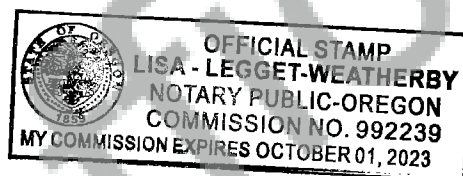


State of Oregon } ss  
County of Clatsop }

On this 6 day of September, 2023 before me, Lisa Legget-Weatherby, a Notary Public in and for said state, personally appeared Jeffrey R. Bush, known or identified to me to be the person(s) whose name(s) is/are subscribed to the within Instrument and acknowledged to me that he/she/they executed same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Lisa Legget-Weatherby  
Notary Public for the State of Oregon  
Residing at: Clatsop  
Commission Expires: 10/1/2023



ADDENDUM NO. 1 TO SECURITY INSTRUMENT

NOTICE OF POTENTIAL FUTURE MODIFICATIONS - IDAHO CODE § 45-116:  
This Security Instrument and the Secured Debts may be modified by written agreement  
executed by both Grantor and Lender, including with respect to indexing, adjustment,  
renewal or renegotiation of the interest rate, amount due and payment terms including the  
maturity date.

[Signature]  
NAME JEFFREY R. BUSH

9/6/2023

DATE

[Signature]  
NAME DYLAN JAMES BUSH

9/5/2023

DATE

ACKNOWLEDGEMENT.

STATE OF

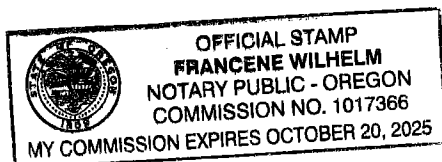
COUNTY OF Wasco SS.

On this 5<sup>th</sup> day of September, 2023, before  
me, Francene Wilhelm, a Notary Public, personally appeared  
Dylan James Bush  
known or identified to me to be the person (s) whose name (s)  
is/are subscribed to the within instrument, and acknowledged to  
me that he/she/they executed the same.

SEAL:

Francene Wilhelm

NOTARY PUBLIC



Residing in WA

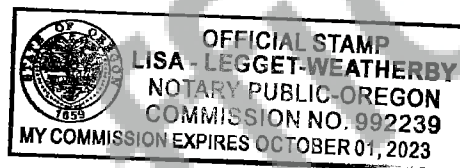
My Commission Expires: 10/20/2025

State of Oregon } ss  
County of Clatsop }

On this 12 day of September, 2023 before me, Lisa Legget-Weatherby, a Notary Public in and for said state, personally appeared Jeffrey R. Bush, known or identified to me to be the person(s) whose name(s) is/are subscribed to the within Instrument and acknowledged to me that he/she/they executed same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Lisa Legget-Weatherby  
Notary Public for the State of Oregon  
Residing at: \_\_\_\_\_  
Commission Expires: 10/1/2023



## EXHIBIT "A"

A piece or parcel of land situate in the S1/2 of Section 1, Township 39 South, Range 9 East of the Willamette Meridian, Klamath County, Oregon being more particularly described as follows:

From the iron pin marking the Southeasterly corner of said Section 1, Township 39 South, Range 9 East of the Willamette Meridian, South  $89^{\circ}58'1/2''$  West 1341.4 feet to a bolt in the center line of the State Highway designated as Oregon 66 as the same is now located and constructed over and across said Section 1; thence North  $46^{\circ}06'1/2''$  West along the center line of said highway, 1380.4 feet; thence South  $43^{\circ}53'1/2''$  West 30.0 feet to an iron pin on the Southerly right of way line of said Highway 66 marking the point of beginning; thence South  $9^{\circ}42'$  West along the center line of a drain 402.5 feet to a point; thence South  $0^{\circ}32'1/2''$  West along the center line of said drain 72.6 feet to a point; thence North  $43^{\circ}51'$  East 385.5 feet, more or less, to the Southerly right-of-way line of said Highway 66; thence North  $46^{\circ}06'1/2''$  West along the Southerly right-of-way line of said Highway 276.1 feet, more or less to the point of beginning.

EXCEPTING THEREFROM all that portion conveyed to the State of Oregon, by and through its Department of Transportation, Highway Division, by Warranty Deed recorded February 19, 1974, M74, page 2538.